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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

DEPARTMENT NO. 57

HON. PAUL G. BRECKENRIDGE, JR., JUDGE

CHURCH OF SCIENTOLOGY OF CALIFORNIA,

Plaintiff,

vs.

GERALD ARMSTRONG,

Defendant.

MARY SUE HUBBARD,

Intervenor.

No. C 420153

REPORTERS' TRANSCRIPT OF PROCEEDINGS

Monday, May 14, 1984

APPEARANCES:

(See Appearances Page)

COPY

VOLUME 11

Pages 1740 - 1895

NANCY L. HARRIS, CSR 644  
HERBERT CANNON, CSR 1923  
Official Reporters



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2

3 DAY	DATE	SESSION	PAGE
4 Monday	May 14, 1984	A.M.	1740
		P.M.	1820

5

6 DEFENSE WITNESS	DIRECT	CROSS	REDIRECT	RE CROSS
8 ARMSTRONG, Gerald				
(Resumed)	1746			
(Resumed)	1820			

10

11 EXHIBITS

12

13 DEFENSE EXHIBITS	IDENTIFIED
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15 UU	1787
16 500-	1808
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tl  
1 LOS ANGELES, CALIFORNIA; MONDAY, MAY 14, 1984; 9:35 A.M.

2 -000-

3  
4 THE COURT: Good morning, Counsel.

5 MR. FLYNN: Good morning.

6 MR. LITT: Good morning, Your Honor.

7 THE COURT: All right, in the case on trial let the  
8 record reflect that counsel are present.

9 The witness has retaken the stand.

10  
11 GERALD ARMSTRONG,

12 the witness on the stand at the time of the adjournment,  
13 having been previously duly sworn, resumed the stand and  
14 testified further as follows:

15 THE CLERK: Just state your name again for the record,  
16 sir. You are still under oath.

17 THE WITNESS: Gerald Armstrong.

18 THE COURT: You may continue.

19 MR. LITT: May I raise one preliminary matter before  
20 we proceed?

21 THE COURT: Yes.

22 MR. LITT: Your Honor, I have in my hand an article  
23 from the Clearwater Sun which I can provide a copy of to the  
24 court in which Mr. Armstrong is quoted as describing the  
25 particular contents and quoting from the contents of documents  
26 that remain under seal at this time, and we would ask that the  
27 order of the court, to the extent it is not clear which we  
28 thought it was, that these materials remain sealed means that.



1                   The contents of them are not to be discussed,  
2 particularly contents that have now been reviewed in preparation  
3 for this trial.

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1           It is just improper. These are not general  
2 statements by Mr. Armstrong.

3           I can provide the court the quote, but he purports  
4 to be quoting specifically from sealed documents. I can give  
5 the court -- I have bracketed in red the section that I'm  
6 specifically referring to.

7           THE COURT: All right.

8           Mr. Flynn.

9           MR. FLYNN: Our view, Your Honor, is that this issue  
10 was extensively litigated during the year and a half this case  
11 has been proceeding. And it has come up in the context of two  
12 contempt actions against myself and Ms. Dragojevic.

13           Judge Cole specifically addressed it. There  
14 is a transcript in which Judge Cole specifically said that  
15 he is not placing any restrictions on Mr. Armstrong's First  
16 Amendment rights to discuss whatever is in the documents.

17           The preliminary injunction only prohibits the  
18 dissemination of the documents themselves.

19           I have not read the article. I would like to  
20 see a copy of what Mr. Litt is referring to.

21           Is there a particular area, Mr. Litt, that you  
22 are concerned about?

23           MR. LITT: Yes. If you give it to me, Mr. Flynn,  
24 I'll bracket it for you.

25           MR. FLYNN: But this issue was addressed at length over  
26 the last year and a half. And we believe that the Supreme  
27 Court cases make it abundantly clear that no restriction can  
28 be placed on Mr. Armstrong's First Amendment Rights to discuss



1        what he learned inside the organization.

2                THE COURT: Well, I am inclined to agree with that.  
3        I don't know what the clear and present danger is of that  
4        happening. There is no prior restraint. In the absence  
5        of some clear and present danger, some serious harm being  
6        involved now that we are trying this case, I don't know what  
7        is going to come into evidence. And I don't know what is not  
8        going to come into evidence.

9                I would think that Mr. Armstrong would be well  
10        advised at this point to refrain from discussing the matter  
11        until the case is completed. I think once the case is  
12        completed, then we know what is in evidence; we know what is  
13        not in evidence.

14                I don't want to get sidetracked at this point.  
15        And I'm going to have to deal with some of these problems  
16        later on anyway.

17                Let's go forward.

18                What is it you want me to do?  
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1 MR. LITT: I would like, Your Honor, that it be clear  
2 that the sealed order of the court means that documents that  
3 are under seal may not be quoted publicly. That is what a  
4 seal means.

5 The defendant has notes and probably large  
6 numbers of verbatim copies. Can they walk out and memorize  
7 them and from memory say this says this and this says that?

8 This article purports to quote from the documents  
9 which at this time are under seal.

10 THE COURT: Is there any existing order relating to  
11 Mr. Armstrong, any kind of a gag order?

12 MR. LITT: There is an order that says --

13 THE COURT: A gag order, we have such a thing as a  
14 gag order when there is a clear and present danger of  
15 somebody not getting a fair trial. I don't see any problem  
16 in that regard here.

17 MR. LITT: That is not what I am referring to. There  
18 is a preliminary injunction.

19 Mr. Flynn says that this issue has been resolved.  
20 This issue has not been resolved. The preliminary injunction  
21 requires that the documents be under seal and that they be  
22 used, the materials be used only for purposes of this case.

23 Going through the documents and then walking  
24 out into the hallway or to the hallway or to the -- some hotel --

25 THE COURT: As I understand it, there are procedures  
26 set forth whereby other litigants in other cases may have  
27 access to the documents.

28 MR. LITT: They must go through a special master



1 procedure with a document-by-document review where there is  
2 determination of what is discoverable. There is also a  
3 balance of the privacy. They must establish relevancy.  
4 They must establish no privilege.

5 There is a judicial procedure designed specifically  
6 to protect the privacy and other privileged aspects of these  
7 materials. When Mr. Armstrong walks out after having had  
8 the opportunity to <sup>go</sup> through the documents and quotes from them,  
9 that judicial oversight is gone.

10 THE COURT: I have a little trouble with the whole  
11 concept. Here is a man who, according to his testimony,  
12 lived within the organization for over 10 years. He's got a  
13 vivid memory. It is obvious, abundantly clear that this  
14 particular individual is blessed with a vivid memory. He  
15 remembers things and he remembers things in detail, and I  
16 don't see how anybody can order him not to talk about things  
17 that he underwent or claims he underwent during -- he is  
18 subject to civil process for libel or slander if he does  
19 slander the organization or individuals within it, but I  
20 don't know that I can -- it seems to me we are getting side-  
21 tracked. Let's go ahead and try the case and resolve these  
22 matters.

23 I don't see how his statements to some reporter--  
24 I don't know when they were made or what the context was.

25 MR. LITT: According to the article they were made  
26 sipping a martini at a hotel.

27 THE COURT: Well --

28 MR. HARRIS: Sounds good.



1 MR. LITT: Well, I just want to make it clear, Your  
2 Honor, our position is that the preliminary injunction  
3 presently in effect prohibits this. That there is ample  
4 authority that while the case goes forward that the specific  
5 contents -- I am not talking about what is in his memory  
6 from what he remembers when he was there in 1980 or '81,  
7 but going back through the documents and then coming out and  
8 quoting from them or purporting to quote from them and utilizing  
9 the fact of continued access because he is a defendant in  
10 this case, we would just like to make it clear we don't  
11 think that is permissible. We think it is improper.

12 The documents that he is referring to when the  
13 court sees them are the most single set of private materials  
14 in the whole of the 10,000 pages, and it is no coincidence  
15 that it is those that they choose to make reference to.

16 THE COURT: I think the witness would be well advised  
17 to refrain from such comments during the pendency of the trial.  
18 If he is in violation or apparent violation of an order, you  
19 can seek some OSC re contempt, but at the same time I feel  
20 we may be getting sidetracked here and let's go ahead and  
21 try the case.

22 Mr. Flynn, you may continue.

23 MR. FLYNN: Thank you, Your Honor. We will abide by  
24 the court's advise.

25  
26 DIRECT EXAMINATION (Resumed)

27 BY MR. FLYNN:

28 Q Now, Mr. Armstrong, before we get into the



1 documents, I'd like to clarify a few areas of your testimony  
2 last Friday.

3 First of all with regard to the documents that  
4 you sent to me and the documents you sent to Contos & Bunch,  
5 would you describe to this court the circumstances under which  
6 you possessed those documents at the time you sent them to me  
7 and to Contos & Bunch?

8 A Somewhere around March or April of 1982  
9 Omar Garrison again asked me to assist him in the research  
10 on the biography.

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1           The reason that he expressed for this was  
2 because he was not getting the desired assistance from the  
3 man who had, I suppose, replaced me at the -- on the  
4 biography project or doing the research.

5           Q       That was who, Mr. Armstrong?

6           A       Vaughn Young.

7           So I agreed with Mr. Garrison. There was a  
8 period of time around this time when I was not employed at  
9 the law firm and it was just prior -- I worked at the law  
10 firm for a while. And I continued on helping Mr. Garrison  
11 for a bit.

12           Previous to that I had only been assisting  
13 Mr. Garrison with his other books. I was obtaining  
14 printers' quotes having to do with another book which he was  
15 publishing at that time.

16           So during March and April two things happened.  
17 First of all, he was in some fear that the organization was  
18 going to steal the materials which he had for the biography  
19 at that time. So he had me copy a great deal of those  
20 materials, particularly materials which he intended to use  
21 in the biography which he felt he would have to quote from  
22 extensively. So those materials, I copied for him over a  
23 period of probably a month. I did them a bit at a time as I  
24 was able to. There was quite -- I don't know, maybe ten,  
25 fifteen, twenty thousand pages. So there was quite a lot of  
26 material. And it costs quite a bit of money.

27           I was maintaining for him at that time an office  
28 in Costa Mesa. He was paying half the rent on that office.



1 And the office was, in fact, the place, the apartment, where  
2 I lived with my wife and --

3 Q You say he was paying half the rent; was there a  
4 company that he had that paid half the rent on the  
5 apartment?

6 A Yes. It was the publishing company, a company  
7 called Ralston Pilot, Incorporated. And Ralston paid the  
8 rent and, I guess, in a way I was working for Ralston.

9 He did not pay me anything during that time; in  
10 fact, he didn't pay for the copies that I had made. The  
11 reason for this was because he was, apparently, broke at the  
12 time or did not have a lot of money. So he was in a bit of  
13 a bind.

14 He also gave me during that time a great  
15 quantity of originals, the unsorted originals which I had  
16 given him some months previously.

17 Q Before you left the organization?

18 A Yes.

19 He had not been able to go through these things.  
20 And he wanted them sorted out as well as I could.

21 So I was doing both of these things as best I  
22 could. I transcribed a series of tapes for him during that  
23 period and I arranged from interviews for him during that  
24 period. And I continued to work with the biographical  
25 materials which I maintained in the place in Costa Mesa.

26 In the end of May Mr. Garrison drove up to Utah.  
27 In fact, I went with him at that time. And it was around  
28 that period, around the end of May, when I obtained from



1 Mr. Garrison specific binders which I thought had relevance  
2 in the legal battle which I felt was going to begin at that  
3 point. And he gave me virtually everything that I asked  
4 for. And I had in the apartment a great deal more material.  
5 And it was this material which finally ended up with your  
6 office and the office of Contos & Bunch.

7 Q Now, referring to this letter that you had in  
8 your possession when you came to see me, did you seek advice  
9 as to what should be done with that letter?

10 A Basically, I had the letter in my briefcase.  
11 And I had been carrying it around for a while and I took the  
12 opportunity while I was seeing you to show you the letter  
13 and to ask you about it.

14 I had not been able to get it to Mrs. Hubbard  
15 who, at that time, I thought was victimized.

16 And we discussed, you and I, the letter briefly  
17 at that time.

18 Q Now, without saying what is in the letter, was  
19 your state of mind at the time that -- was there matter in  
20 the letter that was personal and private to Mrs. Hubbard?

21 A Yes.

22 Q And was there another whole area of the letter  
23 that you thought was of immense public interest to members  
24 of the Church of Scientology?

25 A Yes.

26 Q And without saying what is in the letter, did  
27 the immense public-interest factor, did that relate to  
28 L. Ron Hubbard's public image and character?



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A Yes.

Q Would you describe the sequence under which you tried to return the letter to Mrs. Hubbard and the sequence under which it was placed under seal in this court, the dates, as best you can recall.

A Okay. Late in the fall of 1981 I attempted a number of times to communicate to Mrs. Hubbard; my correspondence was opened.

I sent it in sealed envelopes because that had been the security custom at the time regarding communications to her so that they weren't just put on an open communication line within the organization.



1 I sent them sealed. And two of them were opened  
2 and sent back to me. They were held for a while and then  
3 they were sent back to me. And I was communicated to at  
4 that time by two of the people who were in the Special  
5 Project, which was Mr. Hubbard's legal unit, people who took  
6 care of his legal and business affairs. One was Terry  
7 Gamboa and the other was Julia Watson, both of whom told me  
8 at that time that there could be no -- there was no  
9 correspondence, no communicating to Mary Sue.

10 Q That was October of 1981?

11 A Approximately October, November.

12 At the end of December I had a number of  
13 discussions on that subject. I felt like she was being --  
14 that communications were being directly withheld from her.

15 It was expressed to me as, well, we couldn't  
16 admit to a communication line to her because someone will  
17 try to effect service in one of the civil cases. And to me  
18 at that time that didn't make a lot of sense. I felt that  
19 there was communications being directly withheld for another  
20 reason. It had to do with control of the organization.

21 So I attempted it during that period.

22 And then when I left the organization some  
23 months later, I learned from Laurel Sullivan that she was in  
24 communication with Mary Sue Hubbard and had an address.

25 I then asked Laurel and she confirmed that the  
26 address that she had was still good. And this brought us  
27 into the summer of 1982.

28 Shortly after that and after the -- after this



1 case had begun, I sent this particular letter to Mary Sue.

2 Q Was that before the restraining order was  
3 issued?

4 A Yes. It was before, I believe, anything was  
5 issued in the case.

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- 1 Q But had the case begun?
- 2 A Yes.
- 3 Q Okay. Go ahead.
- 4 A So I sent a letter to her to the mailbox, and  
5 I received -- that would have been sometime in August, and  
6 I received back the letter sometime in December. It had gone  
7 to the address and then had been -- then was returned some  
8 months later, some probably five months later, four or five  
9 months later I received back the same envelope; and then we  
10 had a deposition coming up in the beginning of January, the  
11 next year, January 1983, and we just produced it for  
12 Mr. Litt at that time with the intention that he could give  
13 it to Mary Sue or do whatever was proper with it at that  
14 time.
- 15 Q So it was returned to you by the postal service  
16 in December '82?
- 17 A Right.
- 18 Q Now, the original letter or envelope that it  
19 was returned in, did you give that to Mr. Litt?
- 20 A Yes, the whole thing.
- 21 Q And the date stamp that it was mailed by you  
22 in August '82 was on the envelope?
- 23 A Yes.
- 24 Q And was there handwriting on the envelope of  
25 someone other than yourself?
- 26 A Yes.
- 27 Q And did you recognize that handwriting?
- 28 A I believe it to be the handwriting or printing



5.2

1 of David Miscavige.

2 Q Now, when you were collecting the documents  
3 for the biography project, Mr. Armstrong, what was your  
4 state of mind with regard to what documents were pertinent  
5 to the biography and what were not?

6 A Well, I considered, and Mr. Garrison considered,  
7 virtually anything pertinent to the biography. He said, he  
8 used the phrase, "Everything is grist for the mill."

9 He wanted to see virtually everything. He did  
10 not want to see materials which were what we would call  
11 technical materials or policy materials. He was not  
12 interested in doing a work on Dianetics or Scientology. He  
13 was doing a work specifically on the personal life of  
14 L. Ron Hubbard.

15 You could not extricate Mr. Hubbard, of course,  
16 from Dianetics and Scientology, but that was the thrust of  
17 Mr. Garrison's work, and he wanted virtually anything which  
18 showed where Mr. Hubbard was at a particular time, who he  
19 was in communication with, letters of all descriptions.

20 He used to use the phrase "Even a laundry list  
21 was grist for the mill." So he wanted virtually everything.

22 Q Why did you give him originals?

23 A Well, the situation with originals came up in  
24 November and December of 1981, and it came up simply because  
25 there was a considerable bulk of them. There was no way I  
26 was going to be able to copy them all for him. It didn't  
27 make sense to copy them all for him. Mr. Garrison did not at  
28 that point have an office in the building. He had not had an



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1 office for several months in the Cedars building. He didn't  
2 have a desk there anymore.

3 So, in order for him to sort out what he  
4 considered usable biographically or what he would get from  
5 this mass of materials, there was not going to be a great  
6 deal selected from it, but he wanted to see it.

7 Mr. Garrison ended up doing the biography  
8 chronologically, and so the materials which I -- the original  
9 materials were principally from 1966 or so onward. There was  
10 very few original materials which predated that.

11 I had been providing materials as chronologically  
12 as possible. I did the early days first because I thought that  
13 he would want them in that order and that's how we discussed  
14 him. These were later materials and there simply was no way,  
15 no time to copy them all, and it would have been a very  
16 burdensome job because out of those materials there was  
17 relatively little that he would quote from.

18 Q Now, in November and December of 1981, was it  
19 your understanding or state of mind that you were working for  
20 L. Ron Hubbard and it was L. Ron Hubbard that had the owner-  
21 ship and possession of these materials?

22 A Right.

23 Q And was it your state of mind that he had given  
24 permission for those to go to Mr. Garrison?

25 A Yes.

26 Q Now, prior to that point in time, had you ever  
27 given originals to Mr. Garrison?

28 A He may have had some. I don't recall if it



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1 ever came up at that point. There were books which I  
2 provided him which were definitely originals. Again, this  
3 would come up if it was too burdensome to copy, so complete  
4 books I provided him in that way.

5 Q Now, why did some of the materials end up  
6 being sent to me and some of the materials end up being sent  
7 to Contos & Bunch?

8 A Well, initially everything that I sent was  
9 sent to you and at least part of the reason for that was that  
10 I had not been able to obtain a West Coast attorney at that  
11 point. This didn't happen until sometime in July or August,  
12 at which point I simply delivered to them the bulk of  
13 whatever I had.

14 I sent it to you as I was able either to  
15 obtain it or copy it or box it up and send it. That is  
16 really how it occurred. There was no more logic to it than  
17 that until the end when I finally just took whatever I had,  
18 cleaned out my house completely, and sent that material to  
19 Contos & Bunch, and that is a relatively random assortment  
20 of stuff which I referred to as junk, but it is a very random  
21 assortment of materials.

22 Q Why did you retain me as your lawyer?

23 A Well, I think a lot had to do with -- there  
24 was really a number of reasons.

25 I had no one inside the organization or I had  
26 heard your name inside the organization, and all I knew was  
27 that you were an SP of the first kind, a very evil person,  
28 and then I had contradictory material from Jim Dincalci,



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1 whose opinion I appreciated, and he had gone out, both he and  
2 his wife had seen you a couple of weeks I think prior to my  
3 decision to go see you. They came back and told me that you  
4 had an extremely good understanding of Scientology, of the  
5 Scientology mind, of our experiences, of what we had gone  
6 through, of what we could expect, and that contrary to what  
7 the organization had said, you were not dedicated to the  
8 destruction of Scientology but were trying in your way and  
9 according to your business to represent your clients who you  
10 felt had been wronged and deserved redress of those wrongs.

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1                   And so it was that and it was also the idea that  
2 I was at that point deprogramming myself, shall we say; going  
3 through the steps of confronting what the organization and  
4 Mr. Hubbard had represented to me for years as being evil and  
5 confronting those things which I had been taught or drilled  
6 were evil and learning that they were not, indeed, evil.

7                   There was another factor -- and this is probably  
8 a very important one, and that is to obtain an attorney to  
9 represent one in a battle with the Scientologists, which I  
10 knew was coming, is a very difficult task. And it was very  
11 difficult with Contos & Bunch.

12                   I think you put a lot of work into it. And  
13 they were extremely reluctant to get involved because of  
14 how wearing the subject is, how esoteric it is and how  
15 difficult it is to even brief an attorney on what an attorney  
16 can expect in the ins and outs and intricacies and the mental  
17 madness that you are dealing with. So that is why --

18                   Q           Now, before you left the organization did you  
19 see a document called "The Clearwater Report"?

20                   A           Yes.

21                   Q           And when did you see that, Mr. Armstrong?

22                   A           I saw that, I think it would be, some time in  
23 the fall -- was -- it was the same date, whenever the thing  
24 was -- day or two prior to whenever it was submitted to the  
25 Clearwater City Commission.

26                   Q           It was prior to the time it was submitted to  
27 the Clearwater Commission?

28                   A           Yes.



1 Q Do you know where it came from?

2 A I don't know specifically. I was told that --  
3 I was shown it in the PR Bureau, GOUS in the Gardian's Office  
4 and that they had someone in close to you and that they had  
5 obtained it. It looked like it was an assembled copy taken  
6 from either trash or rough drafts of the report.

7 Q Now, do you know there are approximately six or  
8 seven attorneys that authored that report? Was that on the  
9 materials that you saw?

10 A I don't recall that.

11 Q Do you recall approximately how long it was?

12 A What I saw at the time was a pack of material  
13 that would have been about maybe half an inch thick. It was  
14 a lot of materials which I recognized which I had seen earlier  
15 had come from Michael Shannon.

16 The final Clearwater report which I saw was  
17 probably total of two inches thick.

18 Q Were the materials in there relating to  
19 L. Ron Hubbard; namely, in this half-inch pile of materials  
20 that you saw while you were inside the organization?

21 A Yes. That is the material that I was -- I was  
22 actually called to view those materials. The PR people --  
23 and I can't recall who it was, the DGPR US at that time, but  
24 I spoke with him at length. And there was another couple of  
25 PR people in the DGPR office, the Deputy Guardian for Public  
26 Relations in U.S. And he showed this report to me and asked  
27 my opinion about it at that time.

28 The thing that he was asking particularly about



1 had to do with the black magic allegations.

2 And I said that well, from what I had learned  
3 to understand -- from what I understood from information  
4 that I had, the claims which were being made were in fact true  
5 and that we could not continue on -- you could not refute  
6 them with simply Hubbard's statements or denial because there  
7 was too much evidence to the contrary.

8 So they then began to develop a different tact  
9 for the combatting of that particular report. They were not  
10 going to try and deny or refute those things.

11 That is what I got from the conversations at  
12 that point. I had nothing further to do with the Clearwater  
13 report at that time.

14 Q Now, when you say "black magic" that Mr. Hubbard  
15 was involved in, was that in the late 1940's?

16 A Yes, 1945, '46.

17 Q Was that with reference to a cult called  
18 the OTO?

19 A Yes.



7.1

1 MR. FLYNN: I think I only have one copy of this,  
2 Your Honor.

3 Q Mr. Armstrong, in October, November 1981, did  
4 you see that document?

5 A Yes.

6 THE COURT: What are we up to?

7 THE CLERK: Double-T.

8 THE COURT: Okay. Mark that as double-T, counsel.

9 MR. FLYNN: Thank you, Your Honor.

10 Q Now, in the first paragraph there is a  
11 notation and that was by Vaughn Young; is that correct?

12 A Yes.

13 Q And he was in the Guardian's Office at the  
14 time?

15 A He had two roles at the time. One was in the  
16 Guardian's Office, and one was sort of a liaison working in  
17 the personal office. He had not moved completely over into  
18 the personal office at that time, although my understanding  
19 was he was on his way at that time.

20 Q Now, the first paragraph states, "We have a  
21 situation of en theta being presented around L. Ron Hubbard  
22 that would be DA'd very specifically by producing an inter-  
23 view with Omar that covers what he is discovering in his  
24 research on the man."

25 What does en theta mean?

26 A En theta is a contraction of enturbulated.

27 Q What does that mean, Mr. Armstrong?

28 A Scientologists and Mr. Hubbard view en theta

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7.2

1 as derogatory comments. Comments viewed as derogatory are  
2 termed en theta, particularly in the press, and that would be  
3 the en theta being spread about there.

4 Q What does the term "DA'd" mean?

5 A DA is a dead agent.

6 Q What does that mean?

7 A It refers to an agent who is spreading lies  
8 about someone or about a group. The way you handle that  
9 agent and the way you handle the lies is to document the  
10 truth about that, showing that what he is saying is, in fact,  
11 a lie. Then you show the truth, the documented truth, to the  
12 people to whom the agent has been communicating, and there-  
13 after he will no longer be believed and he is dead. He is  
14 dead as an agent or dead.

15 Q Now, it says, "An interview with Omar that  
16 covers what he is discovering in his research on the man."  
17 To your knowledge, at that time was Omar Garrison discovering  
18 material that conformed to the Clearwater report that you  
19 read or was contradictory to the Clearwater report?

20 MR. LITT: Objection as to what Mr. Garrison was  
21 discovering.

22 THE COURT: Well, I think it is probably overly broad.  
23 I will sustain the objection.

24 Q BY MR. FLYNN: Well, at the time you were  
25 providing materials to Omar Garrison; is that correct?

26 A Yes.

27 Q And this document is dated right about the time  
28 that you saw the Clearwater report?



7.3

1           A           Yes.

2           Q           And at that time, Mr. Armstrong, were you dis-  
3 covering materials that were confirming the truth of the  
4 contents of the Clearwater report about Mr. Hubbard or  
5 contradicting what was in the Clearwater report?

6           MR. LITT:   Same objection; vague.

7           THE COURT:  I will sustain the objection.

8           Q           BY MR. FLYNN:  Now, it then goes on to say,  
9 "This would be produced in both a video form and a written  
10 form for broad usage on media lines and that additional  
11 material would be given from the current state of things in  
12 the legal arena."

13                           Do you see that?

14          A           Yes.

15          Q           Now, at that time did you have any conver-  
16 sations with Vaughn Young about getting additional materials  
17 to Mr. Garrison about Mr. Hubbard?

18          A           Yeah.  We discussed this at great length since  
19 one of the reasons that Vaughn became involved with this  
20 project was because I did not have access to the Guardian's  
21 Office Archives.

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1                   What I had was LRH's Archives. And these  
2 archives did not contain what they call the historical  
3 context materials. Some of that was provided by Vaughn  
4 Young. And it was necessary because I didn't have access.

5           Q        Now, so thereafter did Vaughn Young provide  
6 you with materials from Guardian's Office Archives to dead  
7 agent N-Theta being spread about Mr. Hubbard?

8           A        I think that that -- at least to some level  
9 that was done. It was done, really, to dead agent the  
10 spreader. I guess that they considered -- they considered  
11 that you were one of the sources who were spreading the  
12 N-Theta. So there was a document provided to Mr. Garrison  
13 which indicated that you were a very big enemy, connected you  
14 in with psychiatric groups who were considered the real enemy.  
15 And I would perceive that as an attempt to dead agent you.

16           Q        Now, did you find any material at that time  
17 and forward in your research that you gave to Mr. Garrison  
18 that disproved any fact that was in the Clearwater report  
19 about L. Ron Hubbard?

20           MR. LITT: Objection. The question is overly broad.

21                   This report is apparently -- I have never read  
22 it, but it is apparently rather long, two inches thick,  
23 according to Mr. Armstrong. We are now having some con-  
24 clusory statement made about a two-inch report, about its  
25 accuracy.

26           THE COURT: Read the pending question, please.

27                   (The question was read.)

28           THE COURT: That you were aware of as being in the



8.2

1 report; you may answer.

2 THE WITNESS: There is only one which comes to mind  
3 that I suppose is a rather miniscule fact. And it had to do  
4 with Mr. Hubbard going down to Puerto Rico and how he went  
5 down to Puerto Rico.

6 And in the materials that Michael Shannon had  
7 provided, it showed that he hadn't gone down to do a  
8 mineralogical survey; he had gone down as part of a Red Cross  
9 Mission into Puerto Rico as a result of the hurricane which  
10 occurred on the island sometime before and that somehow  
11 Mr. Shannon had found out that Mr. Hubbard's passage had  
12 been booked on board a particular line for that reason and  
13 had some documents to that effect.

14 But I knew that this was not the case; that in  
15 fact he had gone down -- Mr. Hubbard had gone to Puerto Rico  
16 looking for gold, looking for other minerals and that the  
17 reason for booking the passage appeared to be what was  
18 fraudulent.

19 So that it was the -- Mr. Shannon had stumbled  
20 onto something, but he hadn't correctly interpreted the facts.  
21 And that was what I recalled.

22 I think it was the only fact at the time which  
23 stuck out in my mind.

24 THE COURT: On this Exhibit double-T, it is entitled  
25 "Project Biography Debug"; what would the terminology  
26 "debug" mean in this context, if you know?

27 THE WITNESS: A bug is a problem. And to debug it is  
28 to get rid of the bug in the works or in the ointment, I guess.



8.3

1                   And so he was in charge of debugging the  
2 biography project. The project had a number of bugs, one of  
3 which was I did not have access to these materials.

4                   Another one was that Garrison was at that point  
5 asking for his -- asking for a contract to be reevaluated  
6 and some of the clauses rewritten, some of the conditions  
7 changed. Those were bugs or problems.

8                   And Mr. Young was assigned to handle those  
9 things.

10                  THE COURT: All right.

11                   You may continue.

12                  Q           BY MR. FLYNN: When you say "these materials,"  
13 in your last response, you meant Guardian Office materials?

14                  A           Right.

15                  Q           For the purpose of dead agenting, the N-Theta  
16 being spread about L. Ron Hubbard?

17                  A           Well, this was that, but there was also  
18 information which I was not able then to get ahold of. For  
19 example, the Quentin materials.

20                                The Quentin Hubbard death has considerable  
21 interest among Scientologists and non-Scientologists. I did  
22 not have any information on it and I was not able to within  
23 archives get any. But I knew that the B-1 had that material.  
24 And Mr. Young was able to get it.

25                                So it was not just dead agenting. It was also  
26 to provide biographical information which I did not have.

27                  Q           Now, in the summer of 1982, did you prepare  
28 several legal declarations for the Tonja Burden case?



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A Yes.

Q And were those declarations prepared prior to the inception of the lawsuit?

A I believe at least one of them, maybe two.

Q Now, what was your understanding at that point in time, Mr. Armstrong, with regard to the restrictions that Omar Garrison had placed on your use of the documents?

A Only that they not be allowed out of the legal arena.

His one concern was that he not be scooped, that some other author -- that the materials find their way to someone else who would quickly get the book out before he was able to. That was his concern. And that is what I honored in my dealings with everyone.

Q What was your state of mind and purpose for filing declarations in the Tonja Burden case?

A Well, I had taken the position by this point that I could not back down from the organization. I thought that I was being terrorized. And I made the conscious decision along with my wife to take a stand.

I felt, particularly regarding Tonja, that -- I had a great deal of responsibility in the Tonja matter. Tonja was a young girl on board the ship. She had been for a period of time my junior when we were working in the LRH External Calm Unit at Dunedin.

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9.1

1 I have been her guardian along with my first  
2 wife. We had been appointed sort of a quasi-legal guardian  
3 of some sort, and I felt that she had gone through a very,  
4 very rough experience and she deserved my support and my  
5 help at that point, and I wanted to do whatever I could to  
6 rectify the wrongs which I perceived that the organization  
7 was involved in and which I had helped over my 11 or 12  
8 years inside.

9 Q Now, at that point in time, were you being  
10 followed during the summer of 1982?

11 THE COURT: Well, did you believe you were being  
12 followed?

13 THE WITNESS: Yes.

14 Q BY MR. FLYNN: And when you made this decision  
15 to not back down from the organization, were you contacted by  
16 various people in the media during the summer of 1982?

17 A The initial contact was, I guess, in the end  
18 of May, beginning of June, and that was the producer from  
19 "20/20," and I agreed at that point to be interviewed on  
20 "20/20." And I also made the conscious choice, along with my  
21 wife, to assume a high profile and to be willing to be inter-  
22 viewed and to be willing to speak out and say what I per-  
23 ceived was the truth of the matter simply because I felt that  
24 there was a higher degree of protection in doing that, and  
25 that the facts needed to come out, the other side of the  
26 story needed to be told, and that I had an obligation after  
27 all that had gone on, so that was the choice.

28 Thereafter, the press -- there was no further



9.2

1 contact for a while, and then I was contacted almost on a  
2 daily basis throughout several months after the case got  
3 started.

4 Q When you say a "higher degree of protection,"  
5 do you mean protection to yourself?

6 A Myself and my wife.

7 Q And what did you feel with regard to having a  
8 high profile, as you put it, in connection with protecting  
9 yourself?

10 A Well, the information about the organization  
11 was -- a lot of it was contained in my mind, a lot of it was  
12 contained in the documents, and I felt that the -- I would  
13 alleviate to a degree the threat that I might do something  
14 by doing it, and also that by being known, by being willing  
15 to speak out and by being recognized, if anything did happen  
16 or rather the organization would be more reluctant to do  
17 anything of a very serious nature because I was known to the  
18 press and because I was a known individual at that point.

19 Q Now, at that point in time, how many people had  
20 you known that had actually been physically locked up by the  
21 organization?

22 A I knew of probably several dozen. I don't know  
23 that I could name all of those people, but I knew that it was  
24 a regular pattern of conduct, so there is a great number  
25 throughout all that time.

26 Q And in November 1981, did you know that Bill  
27 Franks, the supposedly highest ranking official in the world  
28 of the Church of Scientology, had been physically locked up



9.3

1 in Gilman Hot Springs?

2 MR. LITT: Objection; leading. Assumes facts not in  
3 evidence.

4 THE COURT: Well, I will sustain the latter objection.

5 Q BY MR. FLYNN: What if anything did you know  
6 about Bill Franks in November, December 1981 being physically  
7 restrained at Gilman Hot Springs?

8 A I was out at Gilman Hot Springs during that  
9 period and I was told that by two people, actually one was  
10 Harvey Haber, and one was a guard on the property.

11 Q And did you know what Bill Franks' position  
12 was at that time?

13 A Well, the last position I knew he was holding  
14 before the lockup was the executive director international.

15 Q What was your understanding as to at least on  
16 paper the rank that that position held in the Church of  
17 Scientology?

18 A That he was the top official.

19 Q And did you know at that time the circumstances --  
20 was that shortly before you left the organization,  
21 Mr. Armstrong?

22 A Yes.

23 Q Now, in your years of research had you come  
24 across various deaths that had occurred that you felt were  
25 unexplained inside the Church of Scientology?

26 MR. LITT: Your Honor, this is unbelievable.

27 THE COURT: Is that an objection?

28 MR. LITT: Yes, it is an objection.



9.4

1                   At this point are we going to allow as relevant  
2 evidence in this case any evidence or things that  
3 Mr. Armstrong ever heard about any unexplained death in 13  
4 years that he knows nothing about, that he has no personal  
5 knowledge of as part of some vague state of mind?

6                   MR. FLYNN: I will restrict it a little more.

7                   THE COURT: All right.

8                   Q           BY MR. FLYNN: Mr. Armstrong, at this point in  
9 time, in November 1981, up until the summer of 1982, what was  
10 your state of mind with regard to your fear that the  
11 organization would kill you?

12                  A           Well, I viewed it as a real probability. It  
13 was there practically at all times. I never went outside a  
14 door without thinking that it could happen right now. I  
15 altered my times when I went places so that my schedule was  
16 always varying. I was acting like a person who believed that  
17 he was going to be blown away. It went on for months,  
18 probably for a couple of years.

19                  Q           Prior to this trial beginning, did you have  
20 that fear?

21                  A           I get it occasionally even during the trial.

22                  Q           Now, had you been exposed to any Guardian's  
23 Office documentation of operations against people prior to  
24 leaving the organization?

25                  A           Yes.

26                  Q           And how much?

27                  A           Not -- really not very much in the big scope  
28 of things.



9.5

1 Q After you left the organization, were you  
2 exposed to Guardian's Office materials about operations  
3 against people?

4 A Some.

5 Q And where did that material come from?

6 A At least the majority of it came from you.

7 Q And did you have an understanding as to where  
8 I received it from?

9 A Yes.

10 MR. HARRIS: Purely hearsay, Your Honor. What is the  
11 relevance?

12 THE COURT: All he did was ask him if he had an  
13 understanding, and he said yes.

14 The next question may be something you want to  
15 object to. Let's wait and see what it is.

16 MR. HARRIS: My objection would be relevant. After  
17 he sees Mr. Flynn, and Mr. Flynn gives him a lot of  
18 materials, what possible relevance could that have to this  
19 lawsuit?

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1 THE COURT: Well, it certainly might go to the  
2 witness' state of mind as to whether or not it is force-fed  
3 or whatever it is. That is something else. It goes to the  
4 weight to be given to it.

5 MR. FLYNN: Did you see documents that had been seized  
6 by the FBI in July of 1977?

7 A Yes.

8 Q And did you know when you left the organization  
9 that the FBI had conducted a raid against the Church of  
10 Scientology?

11 A Yes.

12 Q What was your understanding as to how much  
13 documentation had been seized by the FBI, Mr. Armstrong?

14 MR. HARRIS: Objection as irrelevant.

15 THE COURT: Well, I'll overrule the objection.

16 THE WITNESS: I don't have pages, but I knew that it  
17 was a tremendous mass of documents.

18 Q BY MR. FLYNN: Having seen those materials after  
19 you left the organization, did that affect your state of  
20 mind?

21 MR. LITT: Objection.

22 MR. HARRIS: Irrelevant.

23 He has now got the documents in Mr. Flynn's  
24 hands, Your Honor. His state of mind after that is  
25 irrelevant.

26 THE COURT: I suppose so. I'll sustain the objection.

27 Q BY MR. FLYNN: In the summer of 1982 when you  
28 felt like you were being followed, did you know you were



1 being followed by private investigators?

2 A I was told that by them and by the police.

3 Q When were you told that?

4 A In August of 1982.

5 Q Now, at that point you had been followed for  
6 several months; is that correct?

7 A Yes.

8 Q Who did you think was following you before that?

9 A I didn't know; although I knew that I was  
10 accosted outside the Post Office in, I believe, the  
11 beginning of June and someone had come up who obviously knew  
12 me and he had thrust a letter inside my shirt. So I knew at  
13 that point that I had been under surveillance; that they  
14 must have known where my PO box was, what car I drove, what  
15 I looked like.

16 So I assumed that this was a process server, not  
17 a Scientologist. And I assumed throughout that period that  
18 I was under surveillance by both Scientologists and hired  
19 private investigators.

20 Q Now, in 1982 did a woman named Nancy Dincalci  
21 assist you in fleeing from the surveillance of the private  
22 investigators?

23 A Yes.

24 Q Would you describe what happened at that time.

25 A Well, my wife and I were living in the trailer  
26 park. And we were --

27 MR. LITT: Can we have a time frame on this?

28 Q BY MR. FLYNN: When was this, Mr. Armstrong?



1           A       September 1982.

2           Q       What happened?

3           A       We had been followed at that point night and  
4 day, 24 hours a day. They were watching us or following us  
5 wherever we went. And it had gone on for a couple of weeks  
6 and we had not been able to leave. And we were under a lot  
7 of pressure and we were going a little mad at the time.

8                    So I made arrangements with Nancy for her to  
9 come and pick us up on the property, thinking there was no  
10 way we could drive off the property because they had two  
11 cars on us the whole time. So we would have been followed.  
12 And we wanted to get away for a little while.

13                   So Nancy drove in and she put on a wig and a  
14 bunch of lipstick and looked funny and was able to actually  
15 drive onto the property.

16                   We hid in a laundry room in another part of the  
17 whole complex and then we got down on the floor of her car  
18 and she was able to get away.

19                   So we spent that evening and the next day with  
20 her away from the whole private investigator scene.

21           Q       Now, just prior to your leaving the organization  
22 you were asked to sign a contract with Church of Scientology  
23 International, which has been marked as exhibit double-M; do  
24 you recall that?

25           A       Yes.

26           Q       And just again, how much prior to your leaving  
27 was it, Mr. Armstrong?

28           A       I received this about maybe a week or 10 days



1 prior to leaving.

2 I was told that this new organization was going  
3 to start on December 10th and that it had to be signed by  
4 then.

5 Q Prior to that and for the previous several  
6 months had you been working in the MCCS mission?

7 A I had been working in MCCS in the year  
8 previously for a couple of months and then just sometime in  
9 1981. I did relatively little work, just mostly the  
10 couriering to or from attorneys.

11 Q Now, when you were working on the MCCS mission  
12 did you understand that the purpose of the MCCS mission was  
13 to conceal L. Ron Hubbard's control over Scientology moneys?

14 MR. HARRIS: I'll object to that as calling for a  
15 conclusion of the witness or else based upon attorney-client  
16 privileged information learned while couriering items to the  
17 attorney, Your Honor.

18 MR. FLYNN: I'll withdraw it.

19 THE COURT: All right.

20 Q BY MR. FLYNN: Mr. Armstrong, just  
21 restricting --

22 Who was in charge of the MCCS mission?

23 A David Miscavige.

24 Q And who was your senior?

25 A Laurel Sullivan.

26 Q And did you have communications with Laurel  
27 Sullivan about Hubbard's relationship to church funds  
28 without an attorney being present?



1           A       Yes.

2           Q       And what were those conversations?

3           MR. HARRIS:  Objection, Your Honor, as attorney-client  
4 privileged.

5                       He is part of the mission; she is part of the  
6 mission; David Miscavige is part of the mission according to  
7 this witness' testimony.  Any disclosure made about those  
8 items is attorney-client privilege.  It is the  
9 organization's means of communicating back and forth between  
10 the people who are in the organization and the attorneys.

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1 THE COURT: Well, one of the problems, of course, is  
2 that there is -- the attorney-client privilege, of course,  
3 is a very important, significant privilege; and, of course,  
4 when you are dealing with an entity which is rather amorphous,  
5 it has various forms at different times, and personalities  
6 come and go and offices change. But communications are  
7 prepared obviously for submission to counsel and vice versa.  
8 So I am not really clear.

9 Another problem, of course, is that there is an  
10 exception to the attorney-client privilege if it deals with  
11 anything which might relate to fraud or a crime.

12 MR. HARRIS: That is correct, Your Honor, but there  
13 must be first extrinsic evidence of same.

14 MR. FLYNN: I will see if I can do that, Your Honor.

15 Q Mr. Armstrong, when Exhibit double-M was  
16 placed in front of you and you read the portion, "That  
17 neither Ron nor Mary Sue Hubbard are officers or directors of  
18 the Church and that neither of them are in any manner  
19 responsible for actions of the Church . . ." and that  
20 neither had received "any compensation or remuneration from  
21 training or processing by the Church . . ."

22 Now, at that time in December 1981, when you  
23 read that, did you have specific knowledge that that was  
24 false?

25 A Yes.

26 Q And did you know that everyone in the  
27 organization was being asked to sign that document?

28 A Yes.



11.2

1 Q And did you know at that time that funds were  
2 being specifically funded to L. Ron Hubbard through a  
3 corporation called Religious Research Corporation?

4 A Yes.

5 MR. HARRIS: This corporation, Your Honor, is Church  
6 of Scientology International by its heading. Unless the  
7 witness knows that Church of Scientology International was  
8 funneling money and knows it from personal knowledge, it is  
9 not okay to say it was false.

10 THE COURT: Just relax. Let me see it a minute.

11 Well, I will overrule the objection. He can  
12 certainly testify as to his state of mind with reference to  
13 what he knew. If this was something that he was being asked  
14 to sign that appeared to him to be untrue, he can so state.

15 MR. LITT: Your Honor, if I may add, what is happening  
16 or what is about to happen in this line of questioning is that  
17 the purported knowledge that Mr. Armstrong has is knowledge  
18 obtained that is privileged.

19 Now, then, he is -- and the process is going  
20 like this. Document is presented.

21 Did you know this to be false? Yes, which it  
22 is not because this is after his knowledge, so he doesn't  
23 know it to be false as to what the present situation is.

24 He purportedly knows it to be false at some  
25 point in the past.

26 Then, well, how did you know? Privileged  
27 information, and then the allegation of crime or fraud.

28 Now, if we are going to get into this, then I



11.3

1 would suggest to the Court that there be a full-blown hearing  
2 where the ground rules are set as to what can be talked about  
3 before the privilege is abrogated or not. We can establish,  
4 and the Court has to make a preliminary fact determination  
5 that all of the communications that Mr. Armstrong learned  
6 about and all of the information that he learned about was  
7 privileged. That it was not in furtherance of a crime or a  
8 fraud and that no privileged information may be used in  
9 testimony. And when the question is asked did you know X  
10 fact, it should be on that day whether he knew, not something  
11 that he learned in preparing and communicating with  
12 attorneys about how to sort out inner relations among a  
13 variety of Scientology Corporations and the founder of  
14 Scientology, which is what is about to happen.

15 It is a back door way to try to use the  
16 privileged information to supposedly show that it is not  
17 privileged and it is privileged and we can establish that it  
18 is privileged, and we can bring in all the attorneys  
19 involved, if that is what the Court wants. But this is not  
20 right, and that is the position that we are in here. That is  
21 what is happening.

22 THE COURT: I don't know. You said that you knew  
23 something that he had received funds through some religious --  
24 how did you obtain that information?

25 THE WITNESS: During the MCCS briefings.

26 THE COURT: Who was conducting the briefings?

27 THE WITNESS: Well, the people who were present were  
28 Laurel, Laurel Sullivan, myself, Mike Smith, who was the LRH



11.4

1 accounts at the time in charge of Mr. Hubbard's accounts, and  
2 we were at that time discussing payment which had been made  
3 to Mr. Hubbard of two point some odd million dollars from  
4 RRF; and then the subject of how RRF got its funds and what,  
5 in fact, those funds were came up, and it was during those  
6 conversations.

7 I had known about the existence of RRF for some  
8 years, but how exactly it worked I did not know until I was  
9 in communication with Laurel dealing with this exact thing.

10 MR. LITT: But, Your Honor, may I pose some questions?

11 THE COURT: We will take a 15-minute recess and come  
12 back to it.

13 (Recess.)  
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1 MR. HARRIS: I have a suggestion for Your Honor which  
2 you might find beneficial or might not.

3 The court has the inherent power to control the  
4 order of proof.

5 My suggestion that -- I assume Mr. Armstrong is  
6 going to be on at least the remainder of today -- that we  
7 have an in camera determination tomorrow morning about this  
8 subject matter.

9 We would be prepared to disclose to Your Honor  
10 information in order to determine the privilege under the  
11 circumstances. And I think that is probably the only way we  
12 can do it, including letters from lawyers and the like.

13 THE COURT: That would be agreeable with me.

14 Is there any problem with the defense to work  
15 around this subject?

16 MR. FLYNN: No, Your Honor, as long as it is  
17 understood -- the scope of this evidence gets greatly  
18 expanded with the testimony of Laurel Sullivan. As long as  
19 it is understood that we can -- that I can recall  
20 Mr. Armstrong after Laurel Sullivan testifies.

21 THE COURT: Yes.

22 MR. FLYNN: But I would like to put in the record at  
23 this point a couple of questions that won't get into the  
24 context of any MCCS material.

25 THE COURT: All right.

26 Q BY MR. FLYNN: Are you familiar with the  
27 document, Mr. Armstrong, entitled "What Your Fees Buy"?

28 A Yes.



1 Q And what is that?

2 A It is a brief document by Mr. Hubbard in which  
3 he says that he is not paid. It is the standard thing which  
4 is shown to public people when they are buying Scientology  
5 services.

6 Q And is that broadly disseminated within  
7 Scientology?

8 A Yes.

9 Q And does it relate to the fact that Mr. Hubbard  
10 claims that he has not received any funds from the church  
11 and he has forgiven millions of dollars in debt?

12 A Yes.

13 Q Prior to 1980 did you believe that?

14 A Yes.

15 Q And was it represented to the public prior to  
16 1980 that Mr. Hubbard didn't control any Church of  
17 Scientology corporations?

18 MR. LITT: Objection.

19 Q BY MR. FLYNN: If you know.

20 MR. LITT: By whom, when, what?

21 THE COURT: Well, that doesn't contribute anything  
22 when you say, "by whom, when, and what." He is not required  
23 to do that. If there is an objection --

24 MR. LITT: The objection is that the question as  
25 framed is overly vague and ambiguous.

26 THE COURT: If you are aware whether or not the church  
27 ever held out to the public such a matter, you may so state.  
28 If you don't, you can so state.



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THE WITNESS: That picture was held out to the public,  
but it was not the picture which was given to those of us on  
the inside at a certain level.



13.1

1 Q Now, when you say to the public, what is a  
2 public Scientologist?

3 A A public Scientologist is a person who is not  
4 on any staff anywhere and who is simply paying for the series  
5 which he takes.

6 Q And just briefly with regard to paying for  
7 series, would you describe how the payment procedure worked  
8 based on your 11 years of observations inside the  
9 organization?

10 A One talked to a registrar, was sold a particular  
11 service or product and paid for it.

12 Q And were there price lists for these products?

13 A Yes.

14 Q And could Master Charge and Visa be used?

15 A I never came across that.

16 Q What was the price range of many of these  
17 services?

18 MR. LITT: Objection; vague as to time.

19 Q BY MR. FLYNN: In the 1978-79 area, what was  
20 the price range for the services?

21 A I don't recall any service particularly, but we  
22 are talking about several thousand dollars in a case; \$10,000  
23 for a Flag executive briefing course, a few thousand dollars  
24 for an OT level. It is a considerable amount of money, but I  
25 don't recall exact figures on any particular service.

26 Q Had you seen price lists?

27 A Yes.

28 Q Let me show you that price list. Have you seen



13.2  
1 a price list of that type?

2 A Yes.

3 THE COURT: Have you seen this, counsel?

4 MR. LITT: No.

5 MR. HARRIS: No.

6 MR. FLYNN: This is the only one I have with me, Your  
7 Honor.

8 Q While that is being reviewed, did you know of  
9 any Scientology services that were given out without the  
10 necessity of a fee being paid?

11 A Yes. There were certain cases when people,  
12 and here particularly comes to mind celebrities, would be  
13 awarded. There were occasions when people not on staff, but  
14 who would be called public were awarded for some contri-  
15 bution of some sort, but they would not have to pay. They  
16 would be awarded their next level or a particular service.

17 These were quite rare. Those of us who were  
18 on staff were, as long as we were on staff, we did not have  
19 to pay directly for those services which we took.

20 Q Do you recall whether some of the courses went  
21 up to as much as \$42,000?

22 A I don't recall that particular figure at all.

23 I know that there were some very big figures,  
24 but I don't recall that figure.

25 MR. FLYNN: May this be marked as next in order?

26 THE COURT: Okay. Double-U.

27 Q BY MR. FLYNN: Now, you knew in general, did  
28 you not, that millions of dollars were being paid by public



13.3

1       Scientologists to the organization during the period you  
2       were involved?

3               A       Yes.

4               Q       And you saw this document "What Your Fees Buy"  
5       during the period that you were involved?

6               A       Yes.

7               Q       And when was the first time that you saw that  
8       document, if you recall?

9               A       I recall at least that phrase very early. It  
10      may even have been when I was in Vancouver. It may have been  
11      sometime on the ship, but I definitely recall the phrase.  
12      It was a well-known Scientology phrase.

13              Q       Prior to 1980, did you rely on the fact that  
14      L. Ron Hubbard was not receiving any Church funds and had  
15      forgiven millions of dollars to continue your work for  
16      Mr. Hubbard?

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1           A        I put a great deal of reliance in that fact. I  
2 believe it contributed to my undergoing all the time I did  
3 in the RPF and in making the type of wages that I did make  
4 throughout that period.

5                    I had no idea at that point about what kind of  
6 money he was making.

7           Q        And did you subsequently learn that in 1980,  
8 1981 when you were working on the biography project?

9           A        Yes.

10          Q        And Laurel Sullivan was in charge of both the  
11 biography project and in charge of MCCS; is that correct?

12          A        Yes.

13          Q        What was Hubbard called inside the organization  
14 at the level that you were working on with him?

15          A        It depended; either LRH, R, The Boss.

16                    From 197- -- from the point when we went off the  
17 ship onward in Dunedin, he was always referred to as "The  
18 Boss." And that carried on into La Quinta and Gilman Hot  
19 Springs.

20          Q        Now, is there any aspect of the workings of  
21 Scientology organizations that you observed over a period of  
22 11 years that you did not see Mr. Hubbard supervise or  
23 manage?

24          A        That is an interesting question. There were --  
25 things which got done, obviously, without his knowledge  
26 because he was not everywhere. But he controlled every  
27 aspect. And he managed every aspect. And everything that I  
28 saw was done pursuant to his orders.



1 Q And were those orders issued and obeyed in a  
2 command line that was similar to a military command line?

3 A Yes.

4 Q Did you ever hear the word "ecclesiastical" when  
5 you were inside the organization?

6 A Nothing to do with Scientology or as used here,  
7 a differentiation between ecclesiastical and temporal  
8 matters. Such a thing never existed when I was involved.

9 Q Now, with regard to the Nobel Prize project, did  
10 you see any orders from L. Ron Hubbard with regard to the  
11 use of Scientology funds to obtain Mr. Hubbard the Nobel  
12 Prize?

13 A Yes.

14 Q What did you see?

15 A It was -- there was a series of communications,  
16 orders from him regarding obtaining a Nobel Prize. And one  
17 of them and the one which laid out what he wanted, he stated  
18 that unlimited funds were allocated for this project, the  
19 project of getting him a Nobel Prize.

20 Q Unlimited Scientology funds?

21 A Yes.

22 Q And you saw that order?

23 A Yes.  
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15.1

1 Q And since 1982 have you had conversations, just  
2 yes or no, with officials of the Canadian government?

3 A Yes.

4 Q And as a result of these conversations, was a  
5 declaration of yours used to secure a search warrant by the  
6 Canadian government?

7 MR. LITT: Objection; calls for a conclusion.

8 MR. HARRIS: Also irrelevant; '83.

9 THE COURT: What is the relevance, counsel?

10 MR. FLYNN: It goes to the MCCS Mission, Your Honor.

11 MR. HARRIS: I thought we had an agreement that this  
12 was going to be handled tomorrow morning, Your Honor.

13 MR. FLYNN: I am going to leave it with just this.

14 THE COURT: Well, all right. Overruled.

15 The question really is did you submit a  
16 declaration that was utilized by Canadian authorities for  
17 some legal purpose.

18 THE WITNESS: Yes, I did, and it was a different  
19 sequence from what you had mentioned there.

20 Q BY MR. FLYNN: What was the sequence?

21 A The sequence was they used the declaration,  
22 and the declaration was used, from what I was told by the  
23 Canadian officials, my affidavit or declaration was used as  
24 part of the evidence in obtaining a search warrant. And I  
25 spoke to them after that fact and after the search had been  
26 carried out.

27 Q And did that declaration relate to Religious  
28 Research Foundation and MCCS in the funneling of Church funds?



15.2

1 MR. HARRIS: Objection; irrelevant, Your Honor. The  
2 timing, and also I thought again we had this agreement.

3 MR. FLYNN: That is going to be the last question,  
4 Your Honor, just so Your Honor will know that the witness has  
5 filed declarations with respect to MCCS.

6 THE COURT: Well, of course, the fact that he might  
7 have disclosed something that we might conclude is privileged  
8 here in some other proceeding wouldn't make it non-privileged  
9 here.

10 MR. FLYNN: No, it wouldn't, Your Honor. But the fact  
11 that there is an ongoing criminal investigation with regard  
12 to future fraudulent activity of the Church might be some-  
13 thing --

14 THE COURT: I can't -- this certainly wouldn't be  
15 evidence. It would be hearsay; and all we know is that he  
16 gave a declaration. Everything else would be hearsay, and  
17 what their purpose was, getting into all kinds of collateral  
18 issues. I will sustain the objection.

19 MR. FLYNN: Fine, Your Honor.

20 Q Now, Mr. Armstrong, during the period of time  
21 that you were involved in the Church of Scientology and were  
22 working with Mr. Hubbard, did you hear him make thousands of  
23 statements?

24 A Yes.

25 Q And in connection with your duties as the  
26 biographer for L. Ron Hubbard in possessing his materials,  
27 did you attempt to select for Mr. Garrison and review with  
28 Mr. Garrison representations made by Mr. Hubbard in writing



15.3

1 that you felt were the most significant in terms of their  
2 being publicly disseminated and relied upon by Scientologists  
3 and the public?

4 MR. HARRIS: It is really a compound question, Your  
5 Honor, and I object.

6 THE COURT: Well, it probably is. I will sustain the  
7 objection.

8 Q BY MR. FLYNN: Did you attempt to address  
9 representations made by Mr. Hubbard in writing that you felt  
10 were the most significant?

11 A Yes. I discussed that sort of thing in those  
12 representations with Mr. Garrison many times.

13 Q And what was the basis for your selecting  
14 representations that you were dealing with Mr. Garrison on in  
15 the biography project, Mr. Armstrong?

16 MR. HARRIS: I certainly didn't understand the  
17 question. I hope Your Honor did. It is vague and ambiguous.

18 THE COURT: Well, maybe in the way you phrased it, it  
19 is vague and ambiguous to you; is that what you are saying?

20 MR. HARRIS: That is what I am saying.

21 THE COURT: You are asking me whether it is also  
22 vague and ambiguous to me?

23 MR. HARRIS: I think so. I am soliciting a ruling,  
24 if I can have one.

25 MR. FLYNN: I may be too close to it. I will withdraw  
26 it.

27 Q Were there particular factors, Mr. Armstrong,  
28 that you relied upon in selecting areas of Mr. Hubbard's life



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1 that you felt were pertinent for the biography?

2 A Well, in selecting areas, the guidelines on  
3 which I had to work were what had been published up to date  
4 about his life, so the guidelines initially, at least, that  
5 I worked in was looking for supporting documentation for  
6 those facts.

7 There were some facts which were more  
8 important in my mind; the way that I perceived L. Ron Hubbard,  
9 the way I thought of him and what I thought to be the truth  
10 at that time about his business and what was most significant  
11 in my mind, but generally, at least until I had assembled a  
12 fairly comprehensive chronology of the man's life, I followed  
13 the stories that had been published by him up to that time.

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1 Q Now, when you were collecting documents, did you  
2 collect various biographical sketches that had been issued  
3 over the years about Mr. Hubbard?

4 A Yes.

5 Q And the documents that are currently under seal,  
6 did you select out some of the biographical sketches that  
7 were available to you in 1982 that you sent to me?

8 A Yes.

9 Q Now, at that time what -- let me ask you this:  
10 What percentage of the documents presently under seal  
11 comprises the total amount of documents that you collected  
12 for the biography project.

13 MR. LITT: Objection. Unintelligible, Your Honor.

14 THE COURT: It is 2 percent; isn't it?

15 MR. FLYNN: I am not sure it is on the record.

16 THE COURT: I think it has been about three times.

17 MR. FLYNN: Thank you, Your Honor.

18 Q Is it about 2 percent?

19 A That is a pretty good figure.

20 Q Are there many biographical sketches of  
21 Mr. Hubbard that you saw that are not under seal?

22 A Yes.

23 Q Now, with regard to exhibit A on the defendant's  
24 list of documents under seal --

25 THE COURT: I already marked that double-V. We'll  
26 mark it double-V for identification.

27 MR. LITT: Is that this document?

28 MR. HARRIS: There is a document that has not been



1 marked which is called "List of Misrepresentations Made  
2 Publicly by L. Ron Hubbard."

3 THE COURT: We have just marked it double-V for  
4 identification.

5 MR. HARRIS: I think Mr. Flynn is referring to some  
6 other document at this point.

7 THE COURT: I think he was referring to the sub-  
8 heading A, "Naval Period." He referred to A. I don't know  
9 why. But be that as it may --

10 MR. FLYNN: The list of Misrepresentations Made  
11 Publicly by L. Ron Hubbard is now double-V.

12 THE COURT: Double-V as in "Victor/Victoria."

13 Q BY MR. FLYNN: Are there documents under seal,  
14 Mr. Armstrong, which contain biographical sketches of L. Ron  
15 Hubbard relating to his Naval background?

16 A Yes.

17 Q As set forth in double-V?

18 A Yes.

19 MR. FLYNN: For the record, the defendant's list of  
20 exhibits from documents under seal is exhibit 15, Your  
21 Honor.

22 The first item on exhibit 15 is a brief  
23 biography of L. Ron Hubbard, four pages which has also been  
24 marked as part of exhibit 8 of the defendant; may we have  
25 that first exhibit, Your Honor?

26 And while we are doing it, I would say all the  
27 way in the defendant's list of exhibit A through --

28 THE COURT: We have our court exhibits now which have



1       been marked up to double-V.  If you are referring to under  
2       seal exhibits, perhaps you should say specifically "under  
3       seal exhibits" such-and-such, if that is what you are asking  
4       for.

5               MR. FLYNN:  That is correct, Your Honor.

6                       May we have exhibits A through U that are under  
7       seal?

8                       I think, Your Honor, because of the fact that we  
9       only have one set that there is going to be somewhat of a  
10      laborious process.

11              THE COURT:  I suspect so.

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1 THE COURT: Well, the clerk has these now. What do  
2 you propose to do with them?

3 MR. FLYNN: I'd like to put them in front of the  
4 witness.

5 Apparently A has already been marked, Your  
6 Honor, as Exhibit H.

7 THE COURT: Here is Exhibit H.

8 MR. FLYNN: Thank you, Your Honor.

9 Q Now, Mr. Armstrong, when you were preparing a  
10 collection of documents for the biography of L. Ron Hubbard,  
11 did you find Exhibit A, which is Exhibit A under seal, which  
12 has been marked Defendant's Exhibit H?

13 A Yes.

14 Q And at that time did you intend to document  
15 the representations that had been made about L. Ron Hubbard  
16 in Exhibit A under seal, Defendant's Exhibit H?

17 A Yes.

18 Q Starting with the first line under "Hubbard,  
19 Lafayette Ronald, BS in Civil Engineering, George Washington  
20 University"; did you attempt to document that?

21 A Yes.

22 Q And what did you find?

23 A I found within his naval records a number of  
24 statements which proved that there was no Bachelor of Science  
25 degree in civil engineering.

26 Q And were his transcripts among the naval  
27 records?

28 A Yes.



17.2

1 MR. FLYNN: One of the problems with the naval  
2 records is they are extremely voluminous and they go all over  
3 the place as to what I am going to try to do first is go  
4 through this and go back and select out portions that I'd  
5 like to have marked.

6 THE COURT: I think before we do that, we probably  
7 ought to determine what we are doing with this evidence in  
8 the sense that, as I understand, the defense is that there  
9 is basically, there is a privilege which relates to the  
10 documents that were submitted to you or to Contos & Bunch  
11 that had to do with his lawsuit or his fear of being sued.

12 Now, it seems to me if that is the thrust of  
13 this evidence, the thrust is then why did he take certain  
14 documents? How did it relate to his belief that this would  
15 be necessary to defend himself in this lawsuit with the  
16 Scientology people as distinguished from whether something is  
17 true or not true in the abstract, if you follow what I am  
18 saying.

19 MR. FLYNN: I do, Your Honor.

20 Q Mr. Armstrong, when the Suppressive Person  
21 Declare was issued on you, you were accused of defaming  
22 Mr. Hubbard; is that correct?

23 A Yes.

24 Q And when you were ordered to be sec checked by  
25 Mr. Starsky, the issue was that you had made misrepresentations  
26 about Mr. Hubbard; is that correct?

27 A Yes.

28 Q And when you sent me the documents that you did,



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what was your purpose?

A To be able to defend myself in the attack that I knew that was going to begin; to prove the falsity of the Declare which had been brought on about me; to seek legal advice as to what exactly I could do, how exactly to go about my legal defense.

Q And for that reason, you sent documents that you believed would prove that what you had been saying about L. Ron Hubbard was true?

A Yes.

Q So, therefore, did you send me documents relating to Mr. Hubbard's educational background?

A Yes.

THE COURT: I don't know. Maybe in the two days the witness has been on the stand he's testified to so many things, but what is it that you were saying that you were being told was untrue? Who were you saying it to? What were you saying?

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THE COURT: Maybe I missed some of this. You have a lot of exhibits.

Q BY MR. FLYNN: For example, you sent a letter to Cirrus Slevin which has been marked double-I in which you were telling the organization that Mr. Hubbard had not graduated from Columbia College; is that correct?

A Yes.

Q And did you find documents under seal which proved that he didn't graduate from Columbia College?

A The documents which I found are now under seal, at least some of them, yes.

Q And did you find documents under seal which related to the Caribbean motion picture expedition of 1933?

A Yes.

Q And to the West Indies minerals of 1934?

A Yes.

Q And the Columbia Pictures, 1935?

A You are asking me are these under seal?

Q Are these under seal?

A I don't believe there is anything on that.

Q On Columbia Pictures?

A Not specifically, no.

Q But are there documents that are in the possession of the organization --

A Yes.

Q -- that relate to that?

A Yes.



1 Q And with regard to his many screen credits, are  
2 there documents under seal that relate to that?

3 A Yes.

4 Q For example, "Dive Bomber"?

5 A Yes.

6 Q And with regard to his being the Provost Marshal  
7 of Korea in 1945, are there documents under seal relating to  
8 that?

9 A Yes.

10 Q And whether he was a Hollywood director, are there  
11 documents under seal that relate to that?

12 A I believe so, yes.

13 Q And with regard to L. Ron Hubbard, Jr., are there  
14 documents under seal that relate to Guardian's Office activities  
15 against L. Ron Hubbard's son?

16 A Yes.

17 Q And with regard to Omar Garrison discovering that  
18 previous biographical sketches of L. Ron Hubbard are false,  
19 are there documents under seal that prove that?

20 A Yes.

21 Q And with regard to Commander Thompson, Mr. Hubbard's  
22 relationship to Commander Thompson, are there documents under  
23 seal that relate to that?

24 A I don't know if there is anything specifically  
25 on that, but at least by inference.

26 Q Are there documents in the possession of the  
27 organization that specifically relate to Commander Thompson?

28 A Yes.



1 Q That are not under seal?

2 A Yes.

3 Q And with regard to Hubbard's activities between  
4 1925 and 1929, are there documents under seal that relate to  
5 that?

6 A Yes.

7 Q And are there many inconsistent statements by  
8 Mr. Hubbard in documents under seal relating to what his  
9 activities were between 1925 and 1929 when he claimed he was  
10 studying in Asia?

11 A Yes.

12 Q And with regard to the fact that L. Ron Hubbard  
13 owned a cattle ranch in Montana, are there documents under  
14 seal relating to that?

15 A The story was L. Ron Hubbard's grandfather owning  
16 the cattle ranch. I don't know if there is anything  
17 specifically on that under seal.

18 Q But in the course of your research did you find  
19 documents that are in the possession of the organization  
20 relating to that subject?

21 A Yes.

22 Q And did his grandfather ever own a cattle ranch?

23 MR. LITT: Objection. It calls for a conclusion.

24 THE COURT: Sustained.

25 Q BY MR. FLYNN: Are those among the things that  
26 you were telling the organization that those facts about  
27 L. Ron Hubbard were untrue?

28 A Yes.



1 Q And did you have conversations with Vaughn Young  
2 during that period of time about many facts relating to  
3 L. Ron Hubbard's background?

4 A Yes.

5 Q And are many of those facts relating to his  
6 background set forth in exhibit double-V?

7 MR. HARRIS: Objection. Vague and ambiguous at this  
8 point.

9 There is no referent, just general conversations,  
10 many of those.

11 THE COURT: I'll sustain the objection, the form of the  
12 question.

13 Q BY MR. FLYNN: With regard to exhibit double-V,  
14 Mr. Armstrong, taking the naval period, ". . . fought in five  
15 theaters," did you find documents under seal that disproved  
16 that Mr. Hubbard had fought in five theaters that you were  
17 bringing to the attention of the organization?

18 A Yes.

19 MR. HARRIS: I'll object to that, Your Honor, as calling  
20 for a conclusion. It is not in any exhibit which was read  
21 by Mr. Flynn. I am still not sure exactly what we are getting  
22 at at this point either.

23 The self-serving documents sent to Cirrus Slevin  
24 set forth, at least, some areas where Mr. Armstrong purportedly  
25 found or didn't find information in respect to certain claims  
26 that were made. But at this point I think he has been through  
27 just about every conceivable item that, in his mind, at least,  
28 either wasn't proved or was different than what the



1 representations were in certain biographies.

2 I think that is pretty well established by this  
3 witness's testimony. But where do we go from here?

4 MR. FLYNN: Your Honor, I submit that what the defense  
5 feels should be done is that the exhibits that disprove the  
6 representations about L. Ron Hubbard that became the entire  
7 focus of Mr. Armstrong's difficulties with the organization  
8 and, really, the reason for this lawsuit, we believe the basic  
9 reason this case is in court is because this witness found  
10 out that the representations made about this man over a period  
11 of 30 years were false.

12 THE COURT: It seems to me that all that is fine. But  
13 what we are dealing with is what his explanation is for taking  
14 certain documents and submitting them to you.

15 It seems to me more logical to have him look at  
16 a document, an exhibit, a list; this is something I took; this  
17 is why I took it; this is how it relates to why I wanted you  
18 to have it rather than, you know, I don't -- we are not here  
19 to in the abstract prove the truth or falsity of certain things.  
20 We are here to determine if he took them, why he took them;  
21 whether there is a legal breach as distinguished from other  
22 aspects of whether he had consent to have them in the first  
23 place or whether there is a breach of any duty or other reasons.



19.1

1 Q BY MR. FLYNN: Starting with Exhibit A,  
2 Mr. Armstrong, did you send me Exhibit A under seal?

3 A Yes.

4 Q And why did you send me that?

5 A Because that document contained a number of  
6 the representations in which I had relied and which I had  
7 discovered to be untrue during the course of my research; and  
8 to me it was an essential part of the evidence of the fraud  
9 which had been committed.

10 Q And what representations? Would you run through  
11 Exhibit A and state which representations you had relied upon  
12 which you found to be fraudulent?

13 A His study in the Far East, in China and India  
14 under Llama priests; his educational background, that he was  
15 an engineer; his excelling at his classes; the claim that he  
16 was, by all these facts, a war hero.

17 Q And what facts were you specifically referring  
18 to?

19 A Well, that he was the first casualty from the  
20 Far East; that he was the individual on whom the book and  
21 story "Mr. Roberts" had been written; that he commanded a  
22 squadron of, I believe it was Corvettes, but here they are  
23 antisubmarine war vessels; and that he in this particular  
24 document, the often repeated claim that he had combined his  
25 scientific abilities and studies with the philosophy of the  
26 East that he had studied in such depth.

27 Those are mainly the facts that I can glean  
28 quickly from this thing.



19.2

1 Q Did you at one point undertake to establish  
2 almost a line-by-line verification of statements that are  
3 made, for example, in Exhibit A when you were doing the  
4 project?

5 A Yes. I did not do it for this particular  
6 document, but I did it for other biographical sketches or  
7 dust jacket material that had been published at that point  
8 or was being published. I did it in relationship to the newer  
9 materials which had been published on Mr. Hubbard.

10 Q Now, with respect to Exhibit H entitled  
11 "Facts About L. Ron Hubbard, Things You Should Know," Flag  
12 divisional directive.

13 THE COURT: I am sorry, counsel. H?

14 MR. FLYNN: H under seal.

15 THE COURT: What we had was A under seal, which is H  
16 in our trial. Now you have another document here. It is  
17 getting rather difficult.

18 What is it under seal known as H?

19 MR. FLYNN: H under seal, which has not been marked.

20 THE COURT: All right. Do you want it marked for  
21 identification?

22 MR. FLYNN: Perhaps the easiest way to do it would be  
23 to mark it as H under seal rather than to remark all of these.

24 THE COURT: Do you have any problem with that?

25 THE CLERK: I don't have the space to write on the tag.  
26 If you can put something in front of it or after it.

27 THE COURT: We could possibly mark the -- it is kind of  
28 late now -- the documents that are up here in court under



19.3

1 seal collectively as some number like 500, and then this could  
2 be 500-H.

3 MR. FLYNN: That is agreeable.

4 MR. LITT: That is fine, or you could do it with a  
5 letter.

6 THE COURT: Why don't we mark this collectively, the  
7 documents up here in court will be Exhibit 500 for identifi-  
8 cation only, and then this one can be marked 500-H.

9 Q BY MR. FLYNN: Why did you send me 500-H,  
10 Mr. Armstrong?

11 A Because it was a public relations product from  
12 the LRH office of public relations and laid out a number of  
13 the statements which were being made about Mr. Hubbard by  
14 PR's at that time.

15 Q And what type of statements specifically?

16 A Well, they were -- do you want me to run down  
17 the things from this?

18 Q Just quickly, just some of the representations  
19 from 500-H.

20 A Again, here is the -- between 1925 and 1929,  
21 he journeyed throughout Asia. He was in Peking and Manchuria,  
22 studied under Llamas.

500 &  
500-H

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1                   Again, graduated from Columbia College, George  
2 Washington.

3           Q       That is dated 1974?

4           A       Yes.

5                   Here he is replaced, relieved -- at the  
6 beginning -- in the South Pacific he was relieved by 15 officers  
7 of rank and rushed home to take part in the 1942 battle against  
8 German submarines as commanding officer of the Corvet, Commodore  
9 of a Corvet squadron in 1944; received 12 medals in Palms;  
10 1944, severely wounded and crippled and blinded. Received  
11 an extensive education in the field of human mind from  
12 Commander Thompson of the Medical Corps; personal student of  
13 Sigmund Freud.

14                   Those were the main points from this that were  
15 often repeated and which I initially relied upon in getting  
16 involved.

17           Q       And with respect to 500-I, what is 500-I?

18           A       500-I is a transcript of Mr. Hubbard's autobio-  
19 graphical notes from Peter Tomkins.

20           Q       Who is Peter Tomkins?

21           A       Peter Tomkins was an author who, in the earlier  
22 seventies was going to do a biography of Mr. Hubbard. And  
23 in response to some questions from Mr. Tomkins, Mr. Hubbard  
24 dictated the information which makes up his autobiographical  
25 notes.

26           Q       How do you know Mr. Hubbard dictated it?

27           A       Well, I saw the transcription when I was inside  
28 and saw the notes from Lynn Moore, later Lynn Visk, who was



1 the transcriptionist. She was the LRH transcriber at that  
2 time. She was in SO-1 Unit at that time.

3 Q Were there various representations made by  
4 Mr. Hubbard in exhibit 500-I that you found to be inaccurate?

5 A Yes.

6 Q And is that why you sent it to me?

7 A Yes. It had some -- a great deal of significance  
8 to me because it was proof, at least, that the source of the  
9 misrepresentations was Mr. Hubbard himself and not just the  
10 organization acting independently of him which was something  
11 which was a problem that I ran into with Norman Starsky in  
12 which he stated that, yes, but Mr. Hubbard isn't saying these  
13 things.

14 And I showed him that in fact the source of all  
15 of these representations about Mr. Hubbard was Mr. Hubbard  
16 himself.

17 And so that is why I sent -- that is why this had  
18 some significance.

19 Q Without running through the representations, were  
20 there many in there that you found of a similar type that had  
21 been made in the other exhibits?

22 A Yes.

23 Q And with regard to 500-J, why did you send me that?

24 A Well, this was after similar things -- although  
25 we don't have the fact that this was done by Mr. Hubbard, the  
26 organization has that information. And just that in this  
27 public statement, even for nonscientologists, there are  
28 misrepresentations about what exactly he had done, especially



1 his war career.

2 Q What is 500-J from?

3 A "Two Thousand Men of Achievement, 1971."

4 Q Did you see that publication?

5 A Yes.

6 Q And is that now in the possession of the  
7 organization?

8 A Yes.

9 Q And were among the representations that Mr. Hubbard  
10 was a postgraduate of Princeton University?

11 A Yes.

12 Q And among the representations that he was in the  
13 office of the Provost Marshal of Korea?

14 A Yes.

15 Q Together with various expeditions and academic  
16 claims?

17 A Yes.

18 Q And 500-K, what is that, Mr. Armstrong?

19 A This was just some biographical facts which were  
20 put together. It is like a data sheet which was in the PR  
21 bureau when I was there. And it was part of the materials  
22 assembled for Mr. Garrison and part of the outline which I  
23 followed at the beginning of the biography project.

24 Q And were there line-by-line representations made  
25 about Mr. Hubbard in this data sheet?

26 A Yes.

27 Q And in connection with your duties for Mr. Hubbard,  
28 did you try to document these?



1           A       Yes.

2           Q       And did you find that they were almost universally  
3 false?

4           MR. LITT: Objection.

5           Q       BY MR. FLYNN: What did you find?

6           A       I found that a great number of them were false.

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21.1

1 Q Now, is that why you sent them to me?

2 A Yes.

3 Q And with regard to 500-L, what is 500-L?

4 A 500-L, I believe, is a policy letter. I  
5 think this may even be published. That is broadly in what  
6 they call the green volumes, but I am not sure right now.

7 In any case, it was a standard policy letter in  
8 the organization.

9 Q And did it contain representations about  
10 L. Ron Hubbard?

11 A Yes.

12 Q And did you find some of the representations in  
13 500-L to be false?

14 A Yes.

15 Q And is that why you sent it to me?

16 A Yes.

17 Q And with regard to 500-O, are there more --  
18 with regard to 500-M, what is 500-M, Mr. Armstrong?

19 A 500-M is a questionnaire from the Explorers  
20 Club from 1947, and it was filled out by Mr. Hubbard in  
21 response to the Explorers Club questionnaire.

22 Q And is 500-N an application?

23 MR. LITT: Is that M or N?

24 MR. FLYNN: M was what the witness just testified about.  
25 Now we are referring to 500-N.

26 MR. LITT: Okay.

27 Q BY MR. FLYNN: Was that an application for the  
28 Explorers Club that accompanied 500-M?



21.2

1           A           They were not directly connected. There is a  
2 number of years between them. The questionnaire is 1947.  
3 The application is 1939-1940.

4           Q           Are there representations made both on 500-M  
5 and 500-N about Mr. Hubbard's background?

6           A           Yes.

7           Q           And did you find representations on those two  
8 exhibits to be false?

9           A           Some of them, yes.

10          Q           Now, with regard to 500-O, what is 500-O?

11          A           500-O is a SEA Organization Executive Directive  
12 Flag dated 28 May 1975, and it is a mimeo issue which is put  
13 out at Flag which was on the 20th of May we were on board  
14 the ship.

15                   This had to do with a survey which was done for  
16 the LRH image and a survey of personality traits, and I felt  
17 that in sending it to you that it was important in that it  
18 showed what Scientologists as a group, in fact, were looking  
19 for, what they considered as important personality traits.

20          Q           And what was the most important?

21          A           Under vital traits, 66 percent was "honest."  
22 Other big ones are "allow others to be themselves, truthful,  
23 trustworthy."

24          Q           Do you know how this image survey was conducted?

25          A           It was laid out here. I don't recall exactly,  
26 but it would give how the tabulations were done, on how many  
27 people it was done.

28          Q           And who was it done on?



21.3

1           A           It was done on 175 field and on-board  
2           Scientologists -- oh, wait, 275.

3           Q           And from what areas of the world?

4           A           From West U.S., which is here; East U.S., which  
5           is the East Coast; UK and Anzo, which is Australia-New Zealand.

6           Q           This survey, do you know why it was done? Was  
7           it ordered by L. Ron Hubbard?

8           A           It says that it is, yes.

9           Q           And do you know why it was done?

10          A           Surveys were done in order to establish buttons  
11          which were then used for sales or PR purposes to -- if the  
12          public sought honesty, if they felt like this was a very  
13          desirable trait, then honesty was something which you would  
14          include in pieces -- public relations statements or when  
15          selling products connected with Mr. Hubbard in this case, so  
16          honesty would be something that would be included as an  
17          observable part of any PR or sales campaign.

18          Q           Now, with regard to Exhibit P, what is  
19          Exhibit P?

20          THE COURT: 500-P?

21          MR. FLYNN: 500-P.

22          THE WITNESS: 500-P is another SEA Organization  
23          Executive Directive. It is dated 19 September 1975, and this  
24          is a survey which was done regarding the LRH biography.

25          Q           BY MR. FLYNN: With regard to information that  
26          people wanted to know about L. Ron Hubbard?

27          A           Right. They were first of all looking to see  
28          whether or not an LRH biography was a product which



21.4

1       **Scientologists wanted and then to narrow that done to**  
2       **establish what aspects of his life or of a biography would**  
3       **appeal to them.**

4               **Q       And what was the percentage of Scientologists**  
5       **who wanted a biography?**

6               **A       89 percent.**

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1 Q Now, what is exhibit 500-Q?

2 A 500-Q is a flagship order which is a type of order  
3 which was issued aboard the ship. And it is dated 8 January  
4 1975. And it is entitled "Facts About L. Ron Hubbard."

5 Q Was this distributed on board the ship, if you  
6 recall?

7 A Yes, it was.

8 Q And among these various exhibits that contain  
9 biographical sketches, are there misrepresentations from one  
10 biographical sketch to another?

11 A Do you mean is there something common or some  
12 contradiction between them?

13 A Are there contradictions between them?

14 A Yes, there are.

15 Q And with regard to 500-R, what is 500-R?

16 A 500-R is an executive directive from L. Ron Hubbard.  
17 It is dated July 12, 1968.

18 Q Why did you send me that document?

19 A It has to do with the Pers Sec position. And it  
20 has to do with LRH finances. And it has to do with the claim  
21 that he had resigned from control in 1968. And this, to me,  
22 evidences some control over finances subsequent to 19 -- did  
23 I '68? '66.

24 Q And with regard to Pers Sec, why did you send it  
25 to me in connection with the duties of the Pers Sec?

26 A Because the Pers Sec was -- Pers Sec later came  
27 to mean a number of things. But there was a Pers Sec in the  
28 UK who was a nonscientologist. I thought that this had some



1 bearing on the fact that nonscientologists were performing  
2 functions within the Scientology network and that the same  
3 kinds of rules applied. She is handling accounts for him and --

4 Q Is there reference with regard to 10 percent of  
5 the moneys that go to L. Ron Hubbard's accounts that were  
6 collected by World Wide?

7 A Yes.

8 Q What does "WW" mean?

9 A World Wide was the -- it was the office in the  
10 UK which was at that time ostensibly to be in control of  
11 Scientology.

12 Q And this was two years after L. Ron Hubbard  
13 supposedly resigned; is that correct?

14 A Yes.

15 Q Was this contrary to the representations made in  
16 the document "What Your Fees Buy" that L. Ron Hubbard was not  
17 getting any money from the church?

18 A I saw that it was a part of the evidence which  
19 would show conclusively that he in fact did have control and  
20 was receiving moneys.

21 Q And is that why you sent it to me?

22 A Yes.

23 Q And was some of the materials in here contrary  
24 to what was being told Scientologists throughout the period  
25 you were involved?

26 A I believe so. I believe that they show that that  
27 document and the same one in his handwriting shows that he  
28 was issuing orders and was in control at that point.



1 Q Now, the attachment to 500-R is the same document,  
2 only in the handwriting of L. Ron Hubbard; is that correct?

3 A Yes.

4 Q Do you recognize that to be the handwriting of  
5 L. Ron Hubbard?

6 A Yes.

7 Q That showed that L. Ron Hubbard had issued this  
8 executive directive?

9 A Yes.

10 Q And is that why you sent it to me?

11 A Yes.

12 THE COURT: We'll take a recess at this time. We'll  
13 reconvene at 1:30.

14 (At 11:58 a.m. a recess was taken  
15 until 1:30 p.m. of the same day.)



1 LOS ANGELES, CALIFORNIA; MONDAY, MAY 14, 1984; 1:35 P.M.

2 --oOo--

3  
4 THE COURT: Very well, we are back in session.  
5 Counsel are present.

6  
7 GERALD ARMSTRONG,  
8 resumed the stand and testified further as follows:

9 THE COURT: The witness has retaken the stand.

10 Just state your name again for the record, sir.  
11 You are still under oath.

12 THE WITNESS: Gerald Armstrong.

13 THE COURT: Okay, you may continue, counsel.

14 MR. FLYNN: Thank you, Your Honor.

15  
16 DIRECT EXAMINATION (Resumed)

17 BY MR. FLYNN:

18 Q Now, Mr. Armstrong, referring again to exhibit  
19 500-P entitled "LRH Biography Survey"; were there items  
20 contained on pages 2 and 3 that you thought were significant  
21 in connection with sending that document to myself and  
22 Mr. Bunch?

23 A Yes. I considered that the answers to the survey  
24 questions especially which related to -- directly to the  
25 biography and directly to Mr. Hubbard's attainments, and some  
26 of the answers indicated that people were expecting a particular  
27 thing and they were not getting it.

28 The question, "What makes people feel closest to



1 Ron?"

2 The answer, the largest survey response was,  
3 "Communication from LRH."

4 Included in that was personal letters from him,  
5 and people were not getting personal letters. They were getting  
6 false letters. They were being led to believe they were  
7 getting personal letters from him.

8 And the question, "What do people admire most about  
9 Ron?" 30 percent, which was the largest response said, "The  
10 volume of his attainments, especially Scientology and Dianetics  
11 Tech."

12 The second biggest response was "His persistence,  
13 courage, purpose, certainty."

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1 Q And with regard to Item No. 9 on page 3, what was  
2 the largest percentage that -- what factor represented the  
3 largest percentage of things that people wanted to hear Ron  
4 talk about?

5 A His own experiences and activities.

6 Q Now, with regard to exhibit R, 500-R, which is  
7 in the handwriting of L. Ron Hubbard, did that relate to or  
8 have reference to the fact that the personal office of L. Ron  
9 Hubbard handled his personal affairs?

10 A Yes.

11 Q And in 1980-1981, were you in the personal office  
12 of L. Ron Hubbard?

13 A That is correct.

14 Q Now, why did you send exhibit 500-S to my office  
15 or to Contos & Bunch?

16 A This document entitled "Executive Directive See  
17 Organizational Executive Directive, 18 February 1976," shows  
18 that the personal -- the Pers PRO Bureau, called the Office  
19 of LRH Personal PRO International is in the personal office  
20 of L. Ron Hubbard and goes on to describe it as Ron's personal  
21 or own personal organization to serve him directly or to assist  
22 him in his many activities.

23 This document describes the post of LRH Personal  
24 PRO International which was part of the PR Bureau of which  
25 I was a part.

26 Q And that document is dated when, Mr. Armstrong?

27 A 18 February 1976.

28 Q And did part of exhibit 500-S show the command



1 lines in the personal office?

2 A Yes. This is actually a different document. And  
3 we stapled it together, I believe, during our examination of  
4 the documents. And it is a flag bureau data letter. And the  
5 flag bureau is where the organization was at this time in  
6 Clearwater or on board the ship. And they had to do with the  
7 international management of all scientology and peripheral  
8 organizations.

9 And this contains -- this is dated 8 December 1975.  
10 And it contains a little sketch which shows how the personal  
11 PRO's are underneath L. Ron Hubbard.

12 Q And exhibit 500-T, which has been marked as  
13 Defense Exhibit DD, is the documents.

14 Why did you send me that, Mr. Armstrong?

15 A That had particular significance which I mentioned  
16 to you earlier; that it began the research project; that it  
17 was the first instance in which I noted contradictions between  
18 what Mr. Hubbard had said publicly in various places. And  
19 this contained a number of these contradictions. And I  
20 considered it very significant from that viewpoint.

21 Q And that, again, was dated February 1980; is that  
22 correct?

23 A Yes.

24 Q Relating back to an incident that occurred before  
25 and then after the war; is that correct?

26 A Yes.

27 Q How many contradictions in a single piece of paper  
28 did you find in connection with Mr. Hubbard's background?



1           A       There is about four or five fairly clear contra-  
2       dictions.

3           Q       What are they?

4           A       First of all, that he had written the screen play  
5       for "Dive Bomber" for Warner Brothers.

6                       Secondly, the posh Riverside Drive apartment, the  
7       fact that he said, "Mail a check"; that the check was to go  
8       to the Explorers Club; that there was a holiday in the Caribbean  
9       at the end of the war; that they didn't have movies where  
10      Mr. Hubbard went during the war.

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1           Q       Now, with regard to the posh New York office  
2 which he closed just before shipping out for the South  
3 Pacific, are there documents among the Naval documents that  
4 relate to his financial position and creditors chasing him  
5 for the first few years of the war?

6           A       Yes.

7           Q       With regard to document 500-U, why was that sent  
8 to Mr. Bunch or to myself?

9           A       I think this relates to a --

10          Q       Make that Ms. Dragojevic. She wants to get  
11 inculcated, Your Honor. So this relates to an around-the-  
12 world trip, I recall, and it was in Mr. Hubbard's  
13 handwriting, and it is simply -- I don't have a date on it,  
14 but it would have been in the '60s and he is first of all  
15 referring to himself as Dr. Hubbard, and secondly he is  
16 writing it as if to be from someone else, and he is talking  
17 about an around-the-world flight, and I only thought that it  
18 might have some significance because to me it evidenced the  
19 same sort of mentality and the same hyperbole that he had  
20 been putting out about himself for so many years, and here  
21 he is an adult of 50-some-odd years old and he still is  
22 producing the same sort of -- I don't know, braggadocio or  
23 something like that.

24          Q       When you say he wrote this as if someone else  
25 was writing it, what do you mean by that? You mean he was  
26 producing it as a PR or propaganda tool as if written by  
27 someone else when he, in fact, wrote it?

28          A       Right, that's correct.



1 MR. HARRIS: I will object to that, Your Honor.  
2 Leading, calling for a conclusion.

3 THE COURT: I will sustain the objection. It seems to  
4 me -- maybe there is something he can read from that that --  
5 from which he drew certain conclusions.

6 Q BY MR. FLYNN: How does it start off,  
7 Mr. Armstrong, under Dr. Hubbard?

8 A (Reading:)

9 "Dr. L. Ron Hubbard of Saint Hill  
10 Manor has just returned to East Grinstead from  
11 a jet flight around the world in 32 days."

12 Q And who was it sent to?

13 THE COURT: If it was.

14 THE WITNESS: Well, the instructions are to type and  
15 send at once to East Grinstead Observer. Someone named  
16 "Norma" then in the Hubbard communications office Worldwide  
17 was to get this -- was to type it.

18 MR. FLYNN: May I have the next batch in order,  
19 please?

20 Q Did that end up with "S" or "T"?

21 A This is "U".

22 THE COURT: Why don't you hand me the collection and I  
23 can return them to the clerk.

24 Q BY MR. FLYNN: Now, directing your attention to  
25 exhibit 500-V, Mr. Armstrong, which bears at the top "To  
26 Rhona; Write letter to Daily Sketch as follows:"

27 Why did you sent that to me?

28 A There were a number of documents which showed



1 that Mr. Hubbard had authored correspondence to the press,  
2 correspondence to authorities, to the police and so on, and  
3 then had someone else sign his or her name to it or an  
4 organizational post to it, and I sent them because it  
5 indicated this pattern of having other people in the  
6 organization front for him.

7 In this particular one he threatened -- there is  
8 a suit against the Daily Sketch, and that is the reason. It  
9 indicated as well a pattern of using the law and threatening  
10 use of the law on a continual basis.

11 Q Now, where in this document, exhibit 500-V, did  
12 it indicate that the document was being written or -- strike  
13 that.

14 The document is in L. Ron Hubbard's handwriting;  
15 is that correct?

16 A That is correct.

17 Q And under the instructions he was advising that  
18 someone else issue it under someone else's name?

19 A Yes, the person "Rhona" was to type it. One  
20 document was to be signed by the secretary of the Hubbard  
21 Association of Scientologists International. Another was to  
22 be signed by Jack P. secretary.

23 There was a Jack Parkhouse involved at that time  
24 who was an officer in one of the corporations.  
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1           Mr. Hubbard claims at this point that,  
2           apparently, the person who wrote it, the man "Scott," is a  
3           known mental patient. And this struck me because it is the  
4           sort of wild allegation which he has made in attacking  
5           anyone who he perceived as attacking him and then using  
6           someone else to sign and to front for him.

7           Q       Now, what, if anything, did he show you with  
8           regard to Hubbard's use of corporations to do his personal  
9           business?

10          A       Well, I can't tell you at this time because my  
11          recollection -- I believe this is written during a time in  
12          which he was the -- actually, was a director. I considered  
13          it important just to show the fact that he did use  
14          throughout that period other people to front for him which  
15          practice continues to this day.

16          Q       Now, in that document did he claim that he was  
17          an author and not a medical practitioner?

18          A       No. It was a mental practitioner.

19          Q       A mental practitioner?

20          A       Right.

21          Q       Did you find other documents where he claimed to  
22          be a mental practitioner?

23          A       Yes. There are.

24          Q       In this one he was claiming that he was not, but  
25          he was an author; is that correct?

26          A       That is another reason why I sent the documents  
27          that I did send, because even between the documents there  
28          are contradictions as to what Mr. Hubbard was claiming at



1 various times. And the pattern which emerged for me was one  
2 of opportunism. Depending on the particular situation, he  
3 would claim to be a -- at one point a mental practitioner;  
4 at another point, deny it; at one point to say that he is a  
5 scientist; at another point to claim that he is a religious  
6 leader. And there were contradictions which ran throughout  
7 the documentation, depending on the situation.

8 Q Now, why did you send exhibit 500-W, the data  
9 sheet?

10 A That is because it is in Mr. Hubbard's writing  
11 and contains in his own writing the claim that he was --  
12 that he had a Bachelor of Science; also, in here he claims  
13 that Scientology is a branch of psychology. In other places  
14 he attacks psychology and psychologists, claiming that they  
15 don't know anything and that Scientology is a religion.

16 So he changed his story from time to time,  
17 depending on the situation.

18 Q Now, why did you send me exhibit 500-X?

19 A This is one of the biographies which I believe  
20 has already been -- we have already gone over this one.  
21 This is the same document as the four-page brief biography  
22 of L. Ron Hubbard that I believe is HR -- and so, for the  
23 same reasons, this is just another example of it. This is a  
24 publication which I saw, one of the first documents, in  
25 getting into Scientology.

26 Q Now, do you know whether this particular exhibit  
27 was widely disseminated in the late 1960s when you got  
28 involved with the organizations, Mr. Armstrong?



1           A       I really can't say how widely.

2                    I saw this publication very early. I really  
3 have no way of knowing. I have seen this same thing written  
4 in different manners, in different formats.

5                    My best estimate is that it was very widely  
6 published and distributed.

7           Q       Does this contain the same contradictions and  
8 misrepresentations you found with regard to Mr. Hubbard's  
9 biographical background that you found in earlier  
10 biographical sketches?

11           A       Yes.

12           MR. LITT: Objection; vague.

13                    What same?

14           THE WITNESS: Oh, well --

15           MR. HARRIS: We get the picture, Your Honor.

16           THE COURT: I'll Overrule the objection.

17           Q       BY MR. FLYNN: 500-Y, Mr. Armstrong, why did you  
18 send my office that?

19           A       This is a transcript of a lecture given by  
20 Mr. Hubbard. The lecture is a broadly published and sold  
21 lecture. And it is called "The Story of Dianetics and  
22 Scientology."

23                    The initial reason why I had this had to do with  
24 the fact that in here is information on The Dive Bomber  
25 incident. And also, there is information in here on the --  
26 on Commander Thompson.

27                    For me, it was a research tool. But ultimately  
28 it indicate where throughout this lecture Mr. Hubbard had



1 indicated a number of things which were untrue.

2 Q And did you hear the lecture with L. Ron  
3 Hubbard's voice?

4 A Yes.

5 Q Of which that is a tape transcription; is that  
6 correct?

7 A Yes.

8 Q What specifically was in there in reference to  
9 The Dive Bomber?

10 A There is -- he has got about -- there is just  
11 about a minute, maybe more or less, devoted to The Dive  
12 Bomber.

13 This is, again, one of the things that set me  
14 off, where he says "I had sold a movie Dive Bomber. You may  
15 have seen the thing. Wallace Beery" and so forth way back.

16 I checked the credits and so forth. And Wallace  
17 Beery was not in the movie Dive Bomber. So that also set me  
18 off because one of the conclusions that I came to throughout  
19 all of this was that Mr. Hubbard's memory probably is very  
20 faulty on what exactly he had done and who exactly he had  
21 worked with in various things because the contradictions  
22 were so voluminous that there probably is no way that he  
23 could have kept them straight after a while.

24 The contradictions just between this and the  
25 other story itself, without knowing everything else about  
26 the man, are considerable.

27 In here there is -- he said, "I had never told  
28 any of my relatives about it, about the money. And I popped



1 \$10,000 in \$1,000 bills into it and closed the lock tight."

2 In the other one, he was having a check sent to  
3 the Explorer's Club.

4 MR. LITT: Can we have the page number?

5 MR. FLYNN: Page 17.

6 THE WITNESS: He said, "Well, I got out of the war; I  
7 didn't take that for finances. I must confess to you that  
8 this subject, study in finance in advance was not really by  
9 the sweat of my brow. I took that and bought a yacht and  
10 went to cruise in the West Indies at the end of the war."

11 Then there is another thing here about  
12 collecting the treasury checks. And that was, again, a part  
13 of it because, "I had a nice big thick sheaf of treasury  
14 checks," but in other documents, he was flat broke and  
15 requesting a few dollars a month from the VA. So this was  
16 one of the initial things which I got at the very outset of  
17 the research. And it amounted to a great number of  
18 contradictions.

19 Q And 500-Z, Mr. Armstrong; why did you send that  
20 to my office?

21 A I sent this because it is in Mr. Hubbard's  
22 handwriting. It had to do with his writing his own  
23 biographical materials to appear in a book "Who's Who In  
24 California." And this is done in '67 and contained then  
25 some of the lies and hyperbole which I came to recognize as  
26 Mr. Hubbard's.

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27.1

1                   The main thing was that it was in his own  
2 writing, and the war record here was important, service in  
3 five theaters 1940 to -46, 21 medals and palms, resigned  
4 1950.

5                   Q           Now, with regard to 500-double B, and for the  
6 record 500-double A I can't find, Your Honor, which is a  
7 summary of his naval career.

8                   THE COURT: Is there something indicating it is not --

9                   THE CLERK: The asterisk.

10                  Q           BY MR. FLYNN: Let me ask you this: In going  
11 through the sealed documents several weeks ago, do you recall  
12 a shortened version of the summary of Mr. Hubbard's naval  
13 career?

14                  A           Yes.

15                  Q           That was in the sealed documents?

16                  A           Yes.

17                  Q           And when you were conducting your research --

18                  MR. LITT: Can we take a look at that?

19                  MR. FLYNN: I have another copy for you.

20                  Q           When you were conducting your research, did  
21 you get a longer version of the summary of Mr. Hubbard's  
22 naval career?

23                  A           I had not -- among the Hubbard materials, I had  
24 something which is very similar to this document here.

25                               I also had a copy of this document, and I also  
26 had a chronology composed of the documents which were from  
27 Mr. Hubbard's archives which showed where he was practically  
28 on a day-to-day, if not week-to-week, basis.



27.2

1 Q Now, with regard to the daily chronology, where  
2 was that left, Mr. Armstrong?

3 A Well, it was -- Mr. Garrison was provided with  
4 such a set of documents, the overall chronology. Another  
5 copy was made, and it was left in the Hubbard archives,  
6 although the originals were left in the Hubbard archives.

7 Q Now, how did you reconstruct the daily  
8 chronology?

9 A Well, I went through all the naval records  
10 which I could find from the various sources. The majority  
11 of them came from the Del Sol materials, and I put them all  
12 into chronological order so that they were by binder by year.  
13 So, I had a binder of materials for each year of the war,  
14 although the final binder covered 1945 through, I guess,  
15 1950.

16 Q Now, this exhibit which I have shown you which,  
17 Your Honor, may it be marked next in order in Defendant's  
18 Exhibits?

19 THE COURT: WW, double-W.

20 Q BY MR. FLYNN: Just briefly, what did you  
21 conclude was the, in summary form, was the chronology of  
22 Mr. Hubbard's activities during his naval career during  
23 World War II?

24 A It was not at all how it had been represented  
25 in the biographical material published up to that time on  
26 Mr. Hubbard. He was not a hero. He had not seen combat.  
27 He was not crippled and blinded. He was not wounded. He  
28 had never commanded a squadron of Corvettes. He was given

WW



27.3  
1 command of two vessels. He lost command of the first one  
2 before it had ever put to sea, and he lost command of the  
3 second one on a shakedown cruise when he fired on the  
4 Mexican Coast.

5 There was a recurring pattern of malingering,  
6 of fainting, medical problems, and of false reporting to his  
7 superiors.

8 Q Now, with regard to --

9 MR. HARRIS: I am confused, Your Honor, as to whether  
10 this is supposed to be Exhibit double-A under seal or  
11 whether this is a document which should be under seal and  
12 isn't or what exactly the source of this is.

13 THE COURT: WW?

14 MR. HARRIS: Yes.

15 MR. FLYNN: I believe I clarified that with a question,  
16 but I will ask it again.

17 Q Mr. Armstrong, who is Mr. Hess?

18 A William Hess is a person that, although I never  
19 met, I knew the name also as Michael Linn Shannon, and Hess  
20 or Shannon was someone who I learned in 1981 was himself  
21 doing extensive research into the past and credentials and  
22 background of Mr. Hubbard. And I obtained a copy of this  
23 document at the time and I really don't know if it came from  
24 someone by the name of Perry Chapdelaine, an old Dianeticist  
25 who obtained information from Hess or Shannon, if it came  
26 from the Clearwater report, because I also had a copy of  
27 that, or also documents collected by Hess or Shannon were  
28 provided by Vaughn Young because he had access to them from



27.4

1 the Guardian's Office and he picked up whatever there was at  
2 one point, which was even more extensive than the materials  
3 I had from Shannon at that point.

4 So the copy I had or copies could have come  
5 from a number of sources outside the organization. This is  
6 not something which was included in Mr. Hubbard's archives  
7 at that time.

8 MR. LITT: But obtained while he was an employee and  
9 before he left the Church?

10 MR. FLYNN: Your Honor, I will represent to the Court  
11 that that particular document, WW, comes from my files which  
12 I have had for years.

13 Now, what we found in the naval files was a  
14 shortened version of that chronology in the archives which  
15 we thought marked double-A. It could have been our error  
16 when we marked these documents and that may explain why  
17 there is no double-A, but I believe that there is a  
18 shortened version of Exhibit WW under seal.

19 Q Is that correct, Mr. Armstrong?

20 A Yes, it is.

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1 THE COURT: All right.

2 Q BY MR. FLYNN: Now --

3 MR. HARRIS: I assume, therefore, that this document  
4 was not sent to Mr. Flynn in some defense; since Mr. Flynn  
5 now claims that it was his document; that he has had it for  
6 years; is that right?

7 THE COURT: Do you have any recollection of sending a  
8 copy of this to Mr. Flynn and Contos & Bunch?

9 THE WITNESS: No, I don't, Your Honor.

10 THE COURT: That is exhibit WW, Mr. Armstrong?

11 THE WITNESS: Correct.

12 Q BY MR. FLYNN: However, there is in your memory  
13 a shorter version of exhibit WW under seal; is that correct?

14 A Yes. There is something that is right along the  
15 lines which explain the chronology, something which explains  
16 the medals earned during the war.

17 Q Now, with regard to exhibit 500-BB, why did you  
18 send that to my office?

19 A Well, I sent you a great number of medical  
20 records or military records, rather, Naval records. And the  
21 reason that I sent all of the Naval records was because that  
22 was a period in Mr. Hubbard's life which resulted in a great  
23 number of lies and misrepresentations. And it was that  
24 period which I relied on. And it was a period in which the  
25 stories which were told, you know, caused in me a great deal  
26 of reverence in which I held the man.

27 Q Was that your understanding with -- what was  
28 your understanding with regard to the period out of which



1 Dianetics was born?

2 A that Dianetics came out of his necessity to  
3 confront his blindness and his lameness and to use what he  
4 knew of the mind and of atomic physics, of the wisdom of the  
5 East in order to synthesize the subject, the science of  
6 Dianetics.

7 Q Now, is there something significant to the date  
8 of exhibit 500-BB?

9 A I think the significance to me, what I noted,  
10 the date of this examination, this is a report of physical  
11 examination for appointment as an officer. And it is dated  
12 4-18-41.

13 What struck me was that the vision, the eyes,  
14 the test for his eyes indicated a -- on one hand, a 17-20  
15 vision on the right eye, 17-20, and on the left, 15-20. And  
16 this was prior to the war. And his vision at the end of the  
17 war was not very different from this in the various eye  
18 tests that he took. And this is at the end of the war. You  
19 know, sometime later he was claiming that he was blinded.  
20 And I saw no evidence whatsoever of his ever having been  
21 blinded; in fact, the vision pre-war and post-war was quite  
22 similar.

23 Q And, again, that was in April of 1941?

24 A Yes.

25 Q And do you recall from your recollection when  
26 L. Ron Hubbard received his orders to go to Australia?

27 A I don't have any exact date, but I would think  
28 sometime in December 1941.



1 Q And do you recall when he arrived in Australia?

2 A Sometime in January '42.

3 Q And do you recall how long he remained in  
4 Australia?

5 A Not real close, but my recollection is he left  
6 in either February or March 1942.

7 Q So it would be less than 60 days; is that  
8 correct?

9 A Yes.

10 Q Do you know whether Mr. Hubbard subsequently  
11 made a claim for defective vision from tropical sunlight?

12 A Yes.

13 Q Is that among the records we are going to get  
14 to?

15 A Yes.

16 Q Why did you send my office --

17 Incidentally, when Mr. Hubbard left Australia,  
18 under what circumstances we he ordered back to the United  
19 States?

20 A He had apparently caused a problem with his  
21 superiors in Australia. And there was a letter -- it wasn't  
22 exactly a letter of admonition, but it was definitely not a  
23 recommendation, which preceded him back to the U.S. He  
24 had -- it appears he had been hard to control or he wouldn't  
25 follow orders or something to that effect.

26 But in any case, he did not leave Australia in  
27 good graces.

28 Q Now, in your research did you determine what the



1 situation was with regard to Naval forces in the battle of  
2 the Philippines that was going on at the time and the need  
3 for America to have men in the battle for the Philippines  
4 during the early part of 1942?

5 A No. I never got into it at that time.

6 Q With regard to exhibit 500-CC, why did you send  
7 that to me, Mr. Armstrong?

8 A This had to do with the necessity of  
9 time-tracking -- a Scientology word, building a chronology  
10 regarding Mr. Hubbard's activities and where he was at  
11 certain times. Because the -- all of the claims that  
12 Mr. Hubbard has made regarding his Naval career and the  
13 heroism and the medals and the theaters of war in which he  
14 participated can only be shown in the mass of the documents  
15 which show on a very day-to-day basis where he was. This  
16 has to do with the end of the war.

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29.1

1 Q Do you recall an endorsement on documents that  
2 Mr. Hubbard was found to be physically qualified for release  
3 from active duty on 5 December 1945?

4 A That is included in there.

5 Q And what if anything significant did you place  
6 on the claim of Mr. Hubbard that he was crippled and blinded  
7 at the end of World War II with regard to Exhibit double-C,  
8 Mr. Armstrong?

9 A I think that that and also indicating the  
10 movement of where he was at the time in conjunction with the  
11 other documents shows conclusively that he was not crippled  
12 and blinded.

13 Q Now, with regard to Exhibit double-D,  
14 Mr. Armstrong, why did you send that to my office?

15 THE COURT: Well, I think probably it should be noted  
16 that on Exhibit CC the bottom appears to be an affidavit  
17 signed by Mr. Hubbard signifying that the information was  
18 true and correct to the best of his knowledge and ability,  
19 5 December 1945.

20 Q BY MR. FLYNN: Why did you send me Exhibit  
21 double-D, Mr. Armstrong?

22 A It is entitled "A Record of Proceedings in the  
23 Naval Medical Survey Review Board" convened at the Navy  
24 Department by order of the Secretary of the Navy. It is  
25 dated June 11, 1948.

26 This document, in conjunction with other  
27 documents, shows that Mr. Hubbard was not crippled and  
28 blinded. Additionally, that he was making claims throughout



29.2

1 this period for particular ailments and later was to write  
2 he had cured himself completely during this period. I sent  
3 it because to me it indicated the -- was part of the fraud  
4 which was being perpetrated on the Navy, the Veterans  
5 Administration and later on all Scientologists and potential  
6 Scientologists.

7 Q Now, with regard to page No. 2 on Exhibit  
8 double-D, did you find that there was -- when you sent this  
9 document to me, that there was a notation accompanying  
10 Mr. Hubbard's petition for veterans pension that he had  
11 claimed that he spent the ensuing year in a civilian hospital  
12 at his own expense?

13 A Yes.

14 Q And then the notation that he was asked to  
15 provide information to support the claim that he spent a  
16 year in a civilian hospital after World War II, and the  
17 notation was made that he did not produce any documentation;  
18 is that correct?

19 A Yes.

20 Q Now, in fact, in other documents that are  
21 coming up, were you able to pretty much trace Mr. Hubbard's  
22 chronology during the year after World War II?

23 A Yes.

24 Q And among other things in the summer of 1942,  
25 did he marry Sarah Northrup bigamously?

26 A Yes.

27 MR. LITT: Your Honor --

28 THE COURT: I will sustain the objection.



29.3

1 Q BY MR. FLYNN: Were you able to find whether  
2 Mr. Hubbard had spent any time in a civilian hospital after  
3 World War II?

4 A No.

5 Q Now, with regard to Exhibit 500-double E, in  
6 directing your attention to the parts that are paper clipped,  
7 why did you send these documents to my office, Mr. Armstrong?

8 A All of these documents refer to medical reports,  
9 naval records, medical surveys, all either at the end of the  
10 war or during a few years thereafter.

11 There are some earlier ones in here as well.  
12 Taken altogether, they show that the claims made by  
13 Mr. Hubbard regarding his military career are not true. That  
14 he had lied regarding being crippled and blinded and being  
15 lame at the end of the war and curing himself of blindness  
16 and injury.

17 Q And does the first paper clipped document  
18 indicate that Mr. Hubbard suffered from duodenal ulcers at  
19 the end of the war?

20 A Yes.

21 Q And do the records in general relate to various  
22 representations that were made by Mr. Hubbard before the  
23 Naval Retirement Board?

24 A There is information on that as well.

25 Q That contain representations about his  
26 activities during World War II?

27 A Yes.

28 Q And did you find those representations to be



29.4

1 false?

2 A I can't recall the specifics right now, but  
3 there is -- it is possible to show that the representations  
4 from point to point vary, and some of them at least are false.

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30.1  
1 MR. LITT: Your Honor, I assume that all of these  
2 statements that are reportedly factual statements are coming  
3 in solely for Mr. Armstrong's state of mind; I mean, he is  
4 making statements --

5 THE COURT: Conclusions that he has derived from the  
6 exhibits that he has reviewed. Obviously, he wasn't there and  
7 he is not a doctor; he is making certain conclusions.

8 Q BY MR. FLYNN: Now, with regard to 500-FF,  
9 why did you send me that document, Mr. Armstrong?

10 A This has to do with his being given a com-  
11 mission as a Lieutenant JG, I believe. In there, there are  
12 two things noted: The first, that the physical defect, they  
13 are waiving the physical defect. And the physical defects  
14 that were noted on his examination were the eyesight, the  
15 imperfect vision. And there is another one noted, and that  
16 is the deficiency of his academic educational background  
17 because it was noted at that point in his application that he  
18 had not graduated from college. He had completed one year of  
19 college.

20 Q And did you find out whether his father,  
21 L. Ron Hubbard's father, was a naval officer?

22 A Yes, sir.

23 Q And with regard to double-G which relates to  
24 Mr. Hubbard's vision at the time of his commission dated  
25 June 11, 1941, which is the day after the Exhibit 500-double F  
26 dated June 10, 1941, did you find a notation with regard to  
27 Mr. Hubbard's vision?

28 A Yes. Here again, it is noted, defective vision



30.2

1 right eye, 17/20; left eye, 15/20; each corrected to 20/20.

2 Q Now, did you yourself, Mr. Armstrong, place a  
3 great deal of significance to the claim that Mr. Armstrong  
4 was crippled and blinded?

5 A I would say extreme amount of significance.

6 Q Did you believe that Dianetics was what cured  
7 the fact that he had been crippled and blinded?

8 A Yes.

9 Q And with regard to 500-double H, why did you  
10 send that to my office?

11 A This is part of the naval records. And it was  
12 Mr. Hubbard's explanation of why he had done what he had done  
13 when he was in the National Guard.

14 The years 1926 and 1927, he said here he  
15 enlisted in the Montana National Guard.

16 Q This was supposedly when he was over in the  
17 Far East between 1925 and 1929?

18 A Yes. That had some interest for me for that  
19 reason; the fact that he had lied about his age had a small  
20 bit of significance to me.

21 Q He had lied about his age to get into the  
22 National Guard?

23 A Yes.

24 Q Did you find evidence at that point in time  
25 that Mr. Hubbard had left or flunked out of two high schools?

26 A I recall one high school. I have heard about  
27 the second, and I never did confirm that one way or another.  
28 But definitely Helena High School, Helena, Montana.



30.3

1 Q Now, in 1928 and '27, how old would Mr. Hubbard  
2 have been if he was born in --

3 A 15 or 16.

4 Q Now, with regard to Exhibit double-I, 500-double  
5 I, why did you send that to me, Mr. Armstrong?

6 A This has to do with the traveling time of  
7 Mr. Hubbard to and from Brisbane, Australia, the day he left  
8 U.S., the day he arrived in Australia.

9 Q What are those dates?

10 A Arrived in Australia January 11, 1942; sailed  
11 from the U.S. December 17, 1942.

12 Q 1941?

13 A 1941. I am sorry.

14 Arrived back in the U.S. March 23rd, 1942.

15 Q Now, do you recall whether December 17, 1941  
16 was approximately ten days after Pearl Harbor?

17 THE COURT: We can take judicial notice of that.

18 Q BY MR. FLYNN: Now, with regard to  
19 Exhibit double-J, Mr. Armstrong, why did you send me that?

20 A That is a telegram, a communication, from  
21 Australia from the naval attache in Melbourne regarding  
22 Mr. Hubbard being returned unsatisfactory for any available  
23 assignment. This thing is dated 17 February, 1942.

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31.1

1 Q So Mr. Hubbard had been in Australia for  
2 approximately a month; is that correct?

3 A Yes. It also is of some interest to me because  
4 here he is ordered returned by Chaumont, and the Chaumont  
5 was a ship; and in one of his biographical sketches  
6 Mr. Hubbard claims to have been returned as the first  
7 casualty in the Far East in the Secretary of the Navy's  
8 private plane, and it just wasn't the case. He was returned  
9 on a ship of some sort.

10 Q And did you find any indication that when he  
11 was relieved of duty, he was relieved by 15 officers of rank?

12 A No.

13 Q And with regard to Exhibit double-K, why did  
14 you send me that, Mr. Armstrong?

15 A This is a letter from the Naval attache dated  
16 14 February 1942, and it concerns the same incident of being,  
17 Mr. Hubbard's being ordered back to the U.S.

18 One of the points indicates that he is not  
19 satisfactory for independent duty assignment. He is garrulous  
20 and tries to give impressions of his importance, and it goes  
21 on beyond that.

22 Q From then until the end of the war, in reviewing  
23 all of Mr. Hubbard's naval records, did you ever find any  
24 period of time that he ever left the United States again?

25 A Yes. He left -- he was on a ship at least in  
26 1943 and sailed down the coast on a shakedown cruise. This  
27 was when he fired on the Coronado Islands.

28 Q Sailed from where to where, Mr. Armstrong?



31.2

1           A           He was in the Albina Shipyard outside Portland,  
2 Oregon.

3           Q           And then he sailed down to Los Angeles?

4           A           Down south, yes.

5           Q           Now, with regard to Exhibit double-L, why did  
6 you send me that?

7           A           This has to do -- it is from the Office of the --  
8 Office of Censorship dated April 22, 1942, and it shows where  
9 Mr. Hubbard was next assigned, and it takes note of the letter  
10 from the naval attache in Australia.

11          Q           Now, do you recall finding notations in the  
12 biographical sketch that Mr. Hubbard was ordered back into  
13 the war against German submarines immediately upon returning  
14 to the United States?

15          A           Yes.

16          Q           And did you find naval records that indicated  
17 where Mr. Hubbard went when he came back from Australia?

18          A           Well, there is two things that happened  
19 around that time. There was a time he spent in a hospital.

20          MR. LITT: Can we have what time we are talking about  
21 now?

22          THE WITNESS: This is the spring of 1942, and he spent  
23 some time, as it says here, in the Office of Naval Censorship  
24 or Office of Censorship.

25          Q           BY MR. FLYNN: Now, when he spent the time in  
26 the hospital, do you know what his claimed illness was?

27          A           My recollection is duodenal ulcer, but I don't  
28 recall right now exactly what it was.



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1 Q And where did Mr. Hubbard go next?

2 A After a brief period in time, he was assigned  
3 to a small vessel which was being outfitted, I think it was  
4 a YP 422, and that was on the East Coast.

5 Q Do you remember whether it was in the Boston  
6 Naval Shipyards?

7 A Yes, it was.

8 Q And why did you send me double-M, Mr. Armstrong?

9 A This has to do with Mr. Hubbard's removal from  
10 command of that vessel or his supervision in the refit of  
11 that vessel.

12 Q And do you know how long he was in command of  
13 that vessel while it was in the Boston Naval Shipyard?

14 A No. It was not very long. I don't recall the  
15 exact date. It was not very long, and the vessel was being,  
16 I believe, converted from one thing to another, and they were  
17 mounting a deck gun on it.

18 In any case, he was removed from command and  
19 that communication refers to that removal.

20 Q That he was unqualified to command the vessel?

21 A That is how it was deemed by his superior  
22 officers, yes.

23 Q Now, with regard to Exhibit double-N, why did  
24 you send that to me, Mr. Armstrong?

25 A This is just -- that is called a report of  
26 compliance with orders. It has to do with transfer from one  
27 point within the navy to another, and it indicates that he  
28 was detached from the YP 422.



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1 Q And with regard to Exhibit double-0, does  
2 Exhibit double-0 refer to the same period where he was being  
3 detached and sent to a new post or for new duty?

4 A Yes. This refers to the same removal.

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1 firing on the Coronado Islands, Mexican territory; that he  
2 disregarded orders; that there would have been more drastic  
3 disciplinary action if it was under normal peace-time  
4 conditions.

5 This is a letter of admonition. I considered  
6 it a pretty important document in Mr. Hubbard's war-time  
7 career.

8 Q And with regard to exhibit double S, why did you  
9 send me that?

10 A I think this is a duplication of the one we  
11 already have. This is a better copy. It is easier to read.

12 This section at the bottom, section No. 9,  
13 it appears to be a duplicate of that other one.

14 MR. LITT: Is "that other one" referring to 500 QQ?

15 THE WITNESS: The other fitness report.

16 Q BY MR. FLYNN: And with regard --

17 THE COURT: It appears to be a blow-up of QQ. It is  
18 SS, a blow-up of QQ.

19 MR. LITT: Thank you.

20 THE COURT: It appears that way.

21 Q BY MR. FLYNN: With regard to exhibit 500  
22 double T, why did you send me that, Mr. Armstrong?

23 A This is -- they call it "Annual Qualifications  
24 Questionnaire." It has some significance because it is dated  
25 October 17, 1948. And this was during a period of time  
26 or at a point where he had, in his Scientology and connected  
27 publications, cured himself completely. And -- but here he  
28 is claiming that, "annual salary is low and uncertain due to



32-3

1 service connected disability."

2 And here he mentions that he is awarded a  
3 50 percent disability. That was mainly the significance  
4 of that.

5 Q In 1948 was that when he wrote Dianetics, the  
6 original thesis?

7 A That is when it is claimed that he wrote it.

8 MR. FLYNN: Is Your Honor going to take the break now?

9 THE COURT: Yes. We'll take a break; take 15 minutes.

10 (Recess.)

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1 THE COURT: All right. In the case on trial let the  
2 record reflect that counsel are present.

3 The witness has retaken the stand.

4 Just state your name again for the record, sir.  
5 You are still under oath.

6 THE WITNESS: Gerald Armstrong.

7 THE COURT: You may continue, counsel.

8 Q BY MR. FLYNN: And, Mr. Armstrong,  
9 Exhibit 500-U, why did you send me that document?

10 MR. LITT: Is that U or W?

11 MR. FLYNN: 500-double U.

12 MR. LITT: Two U's.

13 THE WITNESS: It has to do -- it is another fitness  
14 report and has to do with the period of 8 July 1943 through  
15 11 October 1943.

16 Q BY MR. FLYNN: This was after he was on the  
17 PC 815; is that correct?

18 A Yes.

19 Q And up to a period when he went on the  
20 U.S.S. Algol?

21 A If not, it is shortly after that that he went  
22 to the Algol. It may be in '44. This has to do with -- he  
23 was undergoing treatment at this point in the U. S. Naval  
24 Hospital, San Diego. This followed the incident of firing  
25 the shots on the Mexican Coast.

26 Q And do you recall what he was undergoing  
27 treatment for?

28 A I don't see it on this document, but I believe



33.2

1 it again is the duodenal ulcer; and at this time there may be  
2 a claim of a hip injury, something like that where he had --  
3 he stated at one point he had fallen down a ladder at the  
4 beginning of the war, and I don't know if this is the time.  
5 He was in the hospital a number of times, and I don't recall  
6 if at this point he was claiming that or not.

7 Q And did you see documents after the war which  
8 indicated that he had faked the hip injury?

9 A Yes.

10 Q And with regard to Exhibit double V -- with  
11 regard to Exhibit 500-double V, why did you send that to me,  
12 Mr. Armstrong?

13 A This is another fitness report, and it concerns  
14 the period from 28 September 1944 through January 27, 1945.

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1                   And this is the period or, at least, part of  
2 it when he was under instruction at the United States Naval  
3 School in Princeton, New Jersey.

4                   Q           Now, this was after he left his -- he was  
5 ordered off his post on the USS Algol; is that correct, or  
6 at the time of --

7                   A           I don't know if he was ordered off that post  
8 or not.

9                               He did apply for training or schooling or  
10 this particular school, my recollection. And I don't know  
11 if he was ordered off the Algol or simply transferred off  
12 or what it was.

13                               My recollection is that it was a requested  
14 transfer.

15                   Q           Now, when you were collecting documents did  
16 you collect this document which is not under seal, but which  
17 you collected during the biography project?

18                   MR. LITT: Can we know what "this document" is?

19                   MR. FLYNN: May this be marked as defendant's  
20 exhibit next in order, Your Honor?

21                   THE COURT: XX.

22                   THE WITNESS: Yes, I do.

23                   Q           BY MR. FLYNN: What is exhibit double X,  
24 Mr. Armstrong?

25                   A           It is two pages of the deck log from the Algol  
26 on which Mr. Hubbard was the navigating officer. And they are  
27 dated 27 September, and 28 September, 1944.

28                   Q           And with regard to the deck log dated 27 September,



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1 1944, did Mr. Hubbard sign it?

2 A Yes.

3 Q And the commanding officer was Axton Jones?

4 A Yes.

5 Q Who is Axton Jones?

6 A Well, Axton Jones was the captain of the  
7 Algol. And he is in another placed referred to as the  
8 captain in the story Mr. Roberts. And he is a somewhat infamous  
9 character, I guess, from that movie and book.

10 Q Based on your research was this before the  
11 Algol went to the South Pacific for duty, namely, this period  
12 relating to the ship's log?

13 A My understanding is that it is -- that the  
14 vessel sailed the day following this entry in the log and  
15 that Mr. Hubbard left the ship, I guess, on the 28th of  
16 September, '44.

17 Q Now, with regard to the first page of  
18 exhibit double X, there is a notation that the navigating officer  
19 reported to the OOD that an attempted sabotage had been  
20 made some time between 1530 and 1600 hours and the navigating  
21 officer was Mr. Hubbard?

22 A Yes.

23 Q And a Coke bottle filled with gasoline and  
24 a cloth wick inserted had been concealed among the cargo  
25 which had been hoisted aboard and discovered in No. 1 hold.  
26 It had been discovered before being taken aboard. And  
27 the Office of Naval Intelligence, the FBI and other authorities  
28 were called; did you possess this document during your period



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1 of working on the biography?

2 A Yes.

3 Q And the next day after the FBI and the Naval  
4 Intelligence was called in when this Coke bottle was found  
5 in the hold filled with gasoline, did you note that the  
6 very next day Mr. Hubbard was transferred for further duty  
7 and instruction to the University of Princeton?

8 A Yes.

9 Q Now, did you research what connection the  
10 Navy had to Princeton during World War II?

11 THE COURT: This VV appears to begin on September 28,  
12 '44 when he left the ship. So I would think this entry  
13 preceeds VV which you have just discussed.

14 MR. FLYNN: That is correct, Your Honor.

15 THE COURT: Are you going back to VV now?

16 There is a reference on what he is doing at  
17 Princeton. He was going to a military government course.

18 Q BY MR. FLYNN: Did you find out what the  
19 affiliation between the Navy and Princeton was during World  
20 War II?

21 A Well the Navy had a school of military government,  
22 at least, for a time on the Princeton grounds.

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1 Q And do you know whether during World War II  
2 that is where officers went for 90 days just prior to their  
3 commission for instruction?

4 A I had heard that. I never came up with any  
5 documentation on that subject.

6 Q Now did you find out whether or not the School  
7 of Military Government run by the Navy at Princeton formed  
8 any part of the Princeton University curriculum, post-graduate  
9 or under-graduate?

10 A No, it would not have been considered post-  
11 graduate studies.

12 MR. LITT: Objection; nonresponsive.

13 THE WITNESS: Or under-graduate studies.

14 THE COURT: Well I will let it stand.

15 MR. FLYNN: I am going to need some more exhibits,  
16 Your Honor.

17 THE COURT: Okay.

18 Q BY MR. FLYNN: Now with regard to 500 Double X,  
19 Mr. Armstrong, would you look quickly through the portions  
20 of 500 Double X that are paperclipped and explain to the  
21 court why you sent me these documents.

22 MR. HARRIS: While the witness is looking, could I  
23 clarify exhibit XX, Your Honor?

24 Is this something that is also from Mr. Flynn's  
25 files from years ago or should it be under seal?

26 THE COURT: I am not sure.

27 MR. FLYNN: Well, this document is under seal. I  
28 can also say --



35-2

1 THE COURT: He is talking about the one that was  
2 double X, not the sealed XX that you are just referring to,  
3 but the two page --

4 MR. FLYNN: That document, as I understand it, is  
5 not under seal.

6 Q But it is among the documents that you collected,  
7 Mr. Armstrong; is that correct?

8 A Yes.

9 Q You did not send me that document; is that  
10 correct?

11 A That is correct.

12 THE COURT: Presumably it was returned by Mr. Garrison  
13 to the church. Was it in his possession at one time?

14 THE WITNESS: Your Honor, there was a copy, at least  
15 a couple of copies left in the archives and Mr. Garrison had  
16 one.

17 MR. FLYNN: I have it, Your Honor, from third sources.

18 THE COURT: Okay.

19 MR. FLYNN: I have many of these Naval records from  
20 third sources, and I had them well in advance of the  
21 Clearwater report being written in September 1941 -- I mean  
22 September 1981.

23 THE COURT: Let's don't get sidetracked. Counsel just  
24 wanted to know where that one record came from.

25 MR. HARRIS: That's right, and I understand from what  
26 I gather that this was obtained by Mr. Armstrong before he  
27 left the church and that it is not under seal. That is what  
28 I got out of it.



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1 THE COURT: That is correct.

2 Q BY MR. FLYNN: It is not under seal, but you  
3 did collect it during the biography project and give it to  
4 Mr. Garrison?

5 A Yes.

6 Q And do you recall whether in the Clearwater  
7 report there is specific notations to the USS Algol incident?

8 A Yes.

9 Q There are?

10 A Yes.

11 Q Now with regard to exhibit double X, why did you  
12 send me that, Mr. Armstrong?

13 THE COURT: This is 5007

14 MR. FLYNN: 500 double X.

15 THE WITNESS: These documents mainly concern  
16 Mr. Hubbard's claims for disability at the end of the war,  
17 physical examinations which he underwent at the end of the  
18 war and through a period up to, I guess, 1949. They refer  
19 to various claims, different claims which he was making at  
20 different times.

21 Q And in the period up to 1949, that was long  
22 after he had supposedly cured himself with Dianetics; is that  
23 correct?

24 A That is correct.

25 Q And there were extensive records relating to  
26 his claimed physical problems at that time?

27 A Yes.

28 Q And of what significance was that to you,



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Mr. Armstrong?

A Well, the records showed to me that his claims that he had cured himself were false and also these documents, viewed alongside of the documents in which he claimed that even these problems were false led me to an overall conclusion that the man had been misrepresenting himself to virtually everyone for decades.

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1 Q Now, among the medical records after the war  
2 were there records relating to his -- to his vision?

3 A Yes.

4 Q And did those records show that his vision  
5 was about the same after the war as it was before if you  
6 recall?

7 A Yes. There are -- there are eye test results  
8 there. I don't recall exactly what they were. The results  
9 were they would vary between 12-20 and 15-20.

10 Q Were those eye tests results taken for a period  
11 of years during World War II?

12 A There are a number of eye tests throughout the  
13 war and it appeared following the war.

14 Q And did you find information in these documents  
15 with regard to Mr. Hubbard's medical history that he had given  
16 to medical officers at various times during World War II?

17 A Yes. And within those documents there are  
18 differences from report to report in his own claims from  
19 time to time and different periods.

20 Q And with regard to exhibit double Y, why did  
21 you send me that?

22 MR. LITT: Is this 500 double Y?

23 MR. FLYNN: 500 double Y.

24 THE WITNESS: This is a letter from the Navy provided  
25 to William F. Hess, 12 May, 1978. And it shows the medals  
26 which were earned by Mr. Hubbard during his Naval career.

27 Q And how many medals are there?

28 A Four.



1 Q And did you research what those medals were?

2 A Just roughly. I checked with a person who  
3 knew -- who was himself a former Naval officer. And what those  
4 those were regular service or campaign medals which were issued  
5 to virtually everyone involved in the service at that time  
6 or in that particular zone either in the U.S. or outside the  
7 U.S. They were standard military medals.

8 Q Now, with regard to exhibit 500 WW, would you  
9 look at the paperclipped portions of that exhibit and explain  
10 why you sent them to me?

11 A The first one is a letter from Mr. Hubbard  
12 to the chief of Naval personnel, Washington, DC.

13 He at that point had been assigned to the office  
14 of censorship after being returned from Australia. And  
15 this had to do with his request for a -- to be reassigned to  
16 another -- for patrol torpedo boats in the Caribbean. And  
17 it indicated his qualifications for -- or what he considered  
18 his qualifications at that point.

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1 Q Now, did his qualifications relate in part to  
2 his experience in navigation and commanding expedition  
3 vessels in the Caribbean Sea and Alaskan waters?

4 A Yes.

5 Q And are there other documents under seal that  
6 relate to the commanding of those expeditions?

7 A I believe there is something there on the  
8 subject of the Alaskan trip. I don't know of anything to do  
9 with the Caribbean trip.

10 Q With regard to the Caribbean trip, did you  
11 collect documents relating to the Caribbean trip?

12 A Yes.

13 Q And where are those documents?

14 A In the archives.

15 Q And do they relate to the supposed Caribbean  
16 expedition that are in the archives?

17 A Yes. There was a Caribbean expedition.

18 Q And what was it?

19 A It was in the summer of 1932, and Mr. Hubbard,  
20 along with other young men, chartered a sailing vessel, a  
21 four master, and they sold shares or tickets to other college  
22 students and people to go on this Caribbean cruise, and it  
23 was not completed. They ran out of money and they ran out of  
24 water, and it was not a successful cruise or an expedition.

25 Q Did some of the college students make claims  
26 against Mr. Hubbard's family as a result of that?

27 A Yes. Following the return of the vessel, and  
28 even before, I believe, a lot of people, students on board



37.2

1 left the ship in Bermuda, came home. Mr. Hubbard left the  
2 ship himself early, and there were a number of claims which  
3 exist in Mr. Hubbard's archives, claims of people who  
4 requested money back, money that they had put into the  
5 expedition which did not then materialize.

6 Q Do you know who actually sailed the ship and  
7 commanded the expedition?

8 A Well, there was a professional captain and crew  
9 who came with the vessel.

10 Q So it was a group of college students on a  
11 summer cruise?

12 MR. HARRIS: Well, objection, Your Honor, characteri-  
13 zation and conclusion.

14 THE COURT: All right. Sustained.

15 Q BY MR. FLYNN: And there are documents with  
16 regard to the Alaskan waters trip?

17 A I don't believe there is anything under seal,  
18 but there is a file or two files of information which I  
19 collected on the Alaskan trip.

20 Q Well, there are some -- Mrs. Hubbard, the  
21 first wife, accompanied Mr. Hubbard; is that correct?

22 A That is correct.

23 Q And there are letters between the two of them  
24 relating to that trip; is that correct?

25 A That is correct.

26 Q And some of those are under seal?

27 A Yes.

28 Q Now, what was this Alaskan trip?



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1           A        Actually, it was not really an Alaskan trip.  
2           It was called the Alaskan Radio Experimental Expedition,  
3           but it did not turn out to be that. They took, I believe, a  
4           27-foot ketch.

5           Q        "They," being who?

6           A        Mr. Hubbard and his wife; up the Inland  
7           Passage, up the coast of British Columbia to the southern end  
8           of the Alaskan Panhandle, and that was the area which, if  
9           anything was charted, it had to do with the coast of  
10          British Columbia. The information which was provided to the  
11          U.S. Hydrographic Officer, and there was some provided,  
12          although not of the magnitude indicated by Mr. Hubbard, he  
13          has claimed that he rewrote the "Alaska Pilot."

14          Q        What is the "Alaska Pilot"?

15          A        The Alaska Pilot is a book of navigational  
16          information, and I guess it would have small charts, but  
17          mainly navigational things to look for, lights, buoys, that  
18          sort of thing, coast water flows, and he did supply some  
19          information having to do with the coast of British Columbia  
20          but not the coast of Alaska.

21          Q        But this 27-foot sailing yacht went up the  
22          inland waterway; is that your testimony?

23          A        Yes.

24          Q        And Mr. Hubbard used that in part to show his  
25          experience with regard to marine expeditions?

26          A        Yes.

27          Q        Now, what is the significance of this paper  
28          clipped portion of Exhibit 500-WW dated June 5, 1942,



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1 Mr. Armstrong, and the documents inside the paper clip?

2 A It had to do with Mr. Hubbard's purchase of  
3 some uniforms while in Australia and his apparent non-payment  
4 of the bill for those uniforms; and then the company from  
5 whom he bought the uniforms made a claim against the Navy,  
6 and there is various documents from the Navy and his response  
7 to their claim.

8 Q Now, this was in 1942 when he claimed that he  
9 had \$10,000 in a safe deposit box?

10 A Yes.

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1 Q And with regard to this next paper-clipped area,  
2 do those documents relate to the same thing?

3 A Yes.

4 Q Claims of creditors?

5 A Yes.

6 Q And with regard to --

7 MR. LITT: Is there a date on this next, whatever?

8 MR. FLYNN: April 1942.

9 Q And are there other documents relating to the same  
10 claims from creditors, Mr. Armstrong, in exhibit WW?

11 MR. HARRIS: 500-WW?

12 MR. FLYNN: 500-WW.

13 THE WITNESS: I don't recall if the other claims are  
14 in this or not.

15 There is another that I know of from the -- an  
16 Alaskan Bank. I don't know if it is included in this. It  
17 is somewhere in these documents. It may be.

18 Q BY MR. FLYNN: The claim for the Alaskan Bank,  
19 did that emanate before World War II, or afterwards?

20 A The bill was apparently during the time when  
21 Mr. Hubbard was in Ketchikan in 1940. And the bill finally  
22 caught up with him, I believe, in 1942 or 1943 during which  
23 time he was in the navy.

24 Q Now, there are other documents in here relating  
25 to his medical condition; is that correct?

26 A Yes.

27 Q At various points during World War II?

28 A Yes.



1 Q And why did you send me all of these documents,  
2 Mr. Armstrong?

3 A Because the complete body of documents, official  
4 and unofficial documents from Mr. Hubbard's period of service  
5 in the navy indicate that he subsequently completely  
6 misrepresented his period in the navy to scientologists and  
7 to nonscientologists.

8 Q Now, in some of the documents on exhibit WW, did  
9 they assist you in recreating the chronology of Mr. Hubbard's  
10 activities during World War II?

11 A Yes.

12 Q And all the documents that you sent me relating  
13 to the period in the navy, did you use those to reconstruct  
14 Mr. Hubbard's chronology?

15 A Yes.

16 Q Now, exhibit double-Z, what is that, Mr. Armstrong?

17 MR. HARRIS: May I approach so I can read over the  
18 witness's shoulder, Your Honor?

19 THE COURT: Yes.

20 THE WITNESS: This is a document from Admiral Braisted.  
21 And it indicates that Mr. Hubbard's removal from the PC 815  
22 reporting for temporary duty at -- I can't read that  
23 point, but in any case, it is right at the time following the  
24 incident in which the shots were fired off the Mexican Coast.



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1 Q And with regard to 500-triple A, why did you  
2 send me that?

3 A This is the 3rd of October 1945 up to  
4 October 17, 1945, and Mr. Hubbard -- this is the end of the  
5 war. He never saw any further combat duty, but he -- here  
6 is the recommendation of the board. I can't read what board  
7 it is, but in any case it is a naval board and they said,  
8 "This officer is considered physically qualified to perform  
9 duty ashore preferably within the continental United States."

10 Q What is the date of that?

11 A 3 October '45. This is a date in which  
12 Mr. Hubbard claimed to have been a supposedly helpless  
13 cripple, crippled and blinded; and here they are saying that  
14 he is qualified to perform duty ashore.

15 Q And with regard to Exhibit 500-triple B and  
16 -triple C, did those relate to the chronology of Mr. Hubbard's  
17 activities in the Navy and his compliance with orders?

18 A Yes.

19 Q And is that why you sent them to me?

20 A Yes. They fill in part of the chronology.

21 Q With regard to 500-triple D, did you send that  
22 to me because of representations made by Mr. Hubbard and  
23 signed by him with regard to his qualifications for certain  
24 duty?

25 A Yes. This is when Mr. Hubbard was on board  
26 the Algol, and it is a request for him to appointment to the  
27 School of Military Government.

28 Q And this is before the Algol sailed into the



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1 South Pacific and into combat; is that correct?

2 A I understand that. I have never seen any  
3 documentation to confirm that one way or the other.

4 Q Did you ever find any documentation that  
5 Mr. Hubbard ever went into the South Pacific and into  
6 combat?

7 A No.

8 Q Among the representations made by Mr. Hubbard  
9 was that he was educated as a civil engineer; is that correct?

10 A Yes.

11 Q And conversant with a wide variety of  
12 languages; is that correct?

13 A Yes.

14 Q And that he was widely traveled in the Far East;  
15 is that correct?

16 A Yes.

17 Q And experienced in handling natives, all classes  
18 in all parts of the world; is that correct?

19 A Yes.

20 Q And are those documents under seal,  
21 Mr. Armstrong, which show Mr. Hubbard at the time was  
22 seeking to use this to get an appointment to the School of  
23 Military Government; is that correct?

24 A That is correct.

25 Q And is that why you sent it to me?

26 A Yes.

27 Q And are there documents under seal which show  
28 that what Mr. Hubbard's activities in the Far East had been



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1 prior to his service in the Navy?

2 A There are documents which show at least to  
3 some degree what they were and indicated the limited amount  
4 of travel in the Far East.

5 Q And what do those documents show?

6 A That the trip in which he actually was in  
7 Peking was a trip sponsored by the YMCA.

8 Q And how long did it last?

9 A I don't have the exact time, but it was a brief  
10 trip, perhaps on a train a week or two weeks total.

11 Q And the documents with regard to that trip  
12 reveal what, Mr. Armstrong?

13 A That indeed he did encounter some Llama priests,  
14 but that the knowledge which he imbibed at that time was that  
15 they sounded like bullfrogs.

16 Q Is that what he noted in his diary?

17 A Yes.

18 Q And was that the extent of the diary entries  
19 with regard to the Llama priests during his two weeks on the  
20 YMCA trip?

21 A That diary was from 1928, and there is no  
22 indication of any time after that where he was ever in the  
23 East again.

24 Q Now, prior to that had he been in Guam for part  
25 of a summer with his father who was a naval officer?

26 A Yes.

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1 Q And was this after he had flunked out of high  
2 school?

3 A Yes.

4 Q And how long was he in Guam, Mr. Armstrong?

5 A I don't have the exact date, but it appears from  
6 travel records that it was at least a couple of months.

7 Q And are there -- is there any document under seal  
8 which is a letter from his father to George Washington  
9 University trying to gain admission for Mr. Hubbard relating  
10 to his Guam experience?

11 A Yes.

12 Q Now, exhibit 500-EEE, why did you send me that?

13 A These documents refer to the Board of Investigation  
14 which was convened on Mr. Hubbard because of the shots fired  
15 from the ship which he commanded at that time.

16 Q And does that Board of Investigation generally  
17 indicate that Mr. Hubbard was not a war hero?

18 A Well, what it indicates is that -- this was the  
19 last vessel that he had command of during the war. And he  
20 was not successful in command of that vessel and he did not  
21 in fact act as a commander of a squadron of Corvets.

22 Q Now, is exhibit triple-F essentially a better copy  
23 of some of the materials that have already been marked regarding  
24 Mr. Hubbard being relieved of the command of the YP 422?

25 A Yes. I don't recall the number, but we have already  
26 seen this one. This is the one in which the -- it states,  
27 ". . . in the opinion of the commandant he is not temperamentally  
28 fitted for independent command."



1                   They have three documents, actually, here. One  
2 of them refers to his being sent home from Australia aboard  
3 the CHEALMONT and this one refers to his removal from the YP  
4 YP 422.

5           Q       Now, with regard to triple-G, does triple-G contain  
6 representations by Mr. Hubbard with regard to some of his  
7 background and experience?

8           A       Yes. This is a request for orders; requested that  
9 he be given orders to landing vessels such as LST's and lays  
10 out at that point his chronology to date in the navy.

11                   And this document is dated 19 October 1943.

12           Q       And with regard to exhibit triple-H, are these  
13 the documents you were referring to with regard to the Bank  
14 of Alaska chasing Mr. Hubbard as a creditor?

15           A       Yes.

16           Q       Is that why you sent them to me?

17           A       Yes. They are making a claim against him of  
18 \$265.

19                   And his response is that he is at this time broke  
20 or that he is not making enough now to pay back the \$265.

21           Q       Is that a letter that he sent dated October 28,  
22 1944, signed by him?

23           A       1942, yes.

24           Q       1942. That he was broke?

25           A       Well, that he was not making enough to be able  
26 to pay the \$265 bill.

27           Q       And did you send that to me because you felt that  
28 it contradicted his claim that he had \$10,000 in the bank or



1 in a safe deposit box?

2 A That was a part of it.

3 I think just the fact that these form part of his  
4 naval career dossier which showed that it is completely  
5 different from what it has been represented.

6 Q Exhibit triple-I, triple-J and triple-K, do those  
7 relate to general to his naval career, his claims, creditor  
8 claims against him and chronology? They include triple-L in  
9 that also.

10 A Yes.

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1 Q And is that why you sent them to me?

2 A Yes.

3 Q Now, with regard to Exhibit triple-M, does  
4 that show his grades from George Washington University?

5 A Yes.

6 Q Now, is there significance with regard to  
7 some of the courses that he took at George Washington  
8 University as reflected on that exhibit in terms of his  
9 claims about being a nuclear physicist, atomic physicist,  
10 having excelled in certain grades and having taken the first  
11 course in atomic physics in the United States?

12 A Yes.

13 Q And is that why you sent it to me?

14 A Yes.

15 Q Of what significance is it in that connection,  
16 Mr. Armstrong?

17 A Well, to me this showed that the man had  
18 completely lied about his academic credentials, about  
19 being an atomic physicist, about even having attended the  
20 first course in atomic physics.

21 Q And what did he get for a grade in a course  
22 in Modern Physical Phenomena?

23 A An F.

24 Q And do triple-N and triple-O relate to --  
25 what if any significance do they have, Mr. Armstrong?

26 A This has to do with -- this predates the war,  
27 dated September 5, 1941. It is from the Hydrographic  
28 Office in Washington, D. C. It is a request for the services



41.2

1 of Lieutenant Hubbard, Mr. Hubbard, and this is a mention of  
2 what Mr. Hubbard did on the trip through the Inland Passage  
3 of British Columbia, and it indicates where Mr. Hubbard was  
4 working at that time, the fact that he was -- says he is at  
5 present attached to the Washington Navy Yard doing publicity  
6 work in the Naval Recruiting Bureau in September 1941.

7 This document No. triple-O indicates the dates,  
8 at least, when Mr. Hubbard was involved with the Montana --  
9 it here doesn't call it the Montana National Guard, but the  
10 Regimental Headquarters Company in 1927 and 1928, and the  
11 attached letter from Mr. Hubbard refers to this period of  
12 time, and a discrepancy which we earlier noted regarding his  
13 age at that particular time.

14 Q Now, with regard to the file which has been  
15 marked Exhibit 500-triple P, would you look through that  
16 file quickly and explain to the Court what the significance  
17 of that file is, particularly in reference to the knowledge  
18 of the Church of Scientology about Mr. Hubbard's naval  
19 background when it obtained his naval records from the  
20 Freedom of Information Act?

21 A Well, there is a great amount of correspondence  
22 here between both people in the internal office of  
23 L. Ron Hubbard and the Guardian's Office referring to the  
24 naval records obtained by the organization under the Freedom  
25 of Information Act; and there is a long list of individuals  
26 who were aware of the existence of these facts and a number  
27 of individuals who would have seen the -- all the materials  
28 which have been, or most of the materials at least which



41.3

1 have been shown to the Court today from Mr. Hubbard's naval  
2 records.

3 Q And during what period of time is that,  
4 Mr. Armstrong, that these documents were being collected by  
5 the personal office of L. Ron Hubbard or the Church?

6 A Through the 1970's and up at least until 1981.  
7 The last thing here noted is 29 October 1981. Most of these  
8 are from the '70s.

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1           Q       Do a lot of those documents relate to the period  
2 in 1975?

3           A       Yes.

4           Q       And was that when the biography was being prepared  
5 and written by or to be written by Peter Tomkins on Mr. Hubbard?

6           A       No. I think that the Tomkins biography predated  
7 that probably by a couple of years. At least that is my  
8 understanding of it.

9                    The autobiographical notes from Mr. Hubbard were  
10 done in 1971 or 1972. And they would have been delivered to  
11 Tomkins during that time.

12                   So I don't think that there was anything actually  
13 being done at that time.

14                   There was a biographical sketch which was put out  
15 at that time by the PR bureau. And my understanding is that  
16 this was the biographical sketch which was approved by  
17 Mr. Hubbard to be the biographical sketch. But I don't know  
18 that a full-length biography was being worked on at that time.

19           Q       Now, did the biography get written by Mr. Tomkins?

20           A       Mr. Tomkins submitted manuscript or a partial  
21 manuscript. And it was deemed by the Guardian's Office  
22 personnel, who were involved with the project at that time,  
23 specifically, David Gaiman -- and there were other people who  
24 were going to be involved in the project as well. I believe  
25 the name Artie Merrin is involved and perhaps someone else.

26                   But in any case, the manuscript was deemed to be  
27 unacceptable. And they turned Tomkins off from further  
28 involvement in the project.



1           Q       When you sent those documents to me, what, if any,  
2           significance did it have in your mind as to whether the  
3           organization knew, at least in the mid-1970's, about L. Ron  
4           Hubbard's naval background?

5           A       Well, when I obtained these things -- and this  
6           is quite late along in my research. And they came from Vaughn  
7           Young -- from the B-1 area, at that point I realized that the  
8           organization hierarchy certainly did know of Mr. Hubbard's  
9           naval career. They provided to Mr. Garrison the Board of  
10          Investigation of PC 815 and had all the FY materials.

11                   And I became aware that the people at the top of  
12          the organization did know and were aware of the misrep-  
13          sentations.

14                   I had not been up to that time because I didn't  
15          have access to those things, but only had Mr. Hubbard's naval  
16          records.

17          Q       Now, what is the significance of exhibit triple-X,  
18          500-XXX, and why did you send it to me?

19          A       This has to do with correspondence from Mr. Hubbard  
20          to the Veterans Administration. And this is dated 14 November  
21          '46.

22                   At this time he was claiming that he needed the  
23          money from the VA; that he needed it very badly. This seemed  
24          to be in contradiction to the other claims that he had been --  
25          that he has made that in 1946 he was a Hollywood director. This  
26          is in November 1946.

27                   And throughout this period there are recurring  
28          contradictions between his claimed physical and mental



1 condition and what he later claimed between the amount of -- you  
2 know, between his financial condition and what he later claimed  
3 and what he was doing at certain periods and what he later  
4 claimed.

5 Q And with regard to 500-WWW, does he state in there  
6 on 21 November that he is both ill and broke?

7 MR. LITT: What date is on that?

8 MR. FLYNN: November 21st, 1946.

9 THE WITNESS: Yes. He said here, "I was unable to  
10 report for further examination because I was both ill and  
11 broke."

12 Q BY MR. FLYNN: And this is supposedly when he was  
13 a Hollywood director; is that correct?

14 A Yes.

15 Q And he is requesting a pension?

16 A Yes.

17 Q And with regard to triple-V dated 8 December '46,  
18 what is the significance of that?

19 A Here, he again is writing to the Veterans Adminis-  
20 tration and states that he very badly needs a boost in his  
21 pension. He is requesting a reexamination because his pension  
22 is -- he deemed it inadequate.



1 MR. LITT: Is there a date on that document?

2 MR. FLYNN: 8 December '46.

3 THE WITNESS: I have to restate that. They had asked  
4 him, the Veterans Administration medical people wanted to  
5 reexamine him, and he is expressing his disappointment at this  
6 saying that they went over me so thoroughly last time, I don't  
7 know what is left to be found out.

8 Q BY MR. FLYNN: Well, does he state that he is very  
9 badly in need of a boost in his pension?

10 A Yes.

11 Q And with regard to exhibit triple-U dated October 15,  
12 1947, what is the significance of that, Mr. Armstrong?

13 A In this letter he states, "That after trying and  
14 failing for two years to regain my equilibrium in civil life,  
15 I am utterly unable to approach anything like my old competence."

16 Q Does he state that he is suicidal?

17 A He goes on, "I cannot account for nor rise above  
18 long periods of moroseness and suicidal inclinations."

19 Q And was there a period when he was claiming that  
20 his disability resulted from war wounds and not from any mental  
21 illness?

22 A That's correct.

23 Q And was this document of particular significance  
24 to you?

25 A Yes.

26 Q And why is that?

27 A Because this was during a time when he had claimed  
28 that within two years of the end of the war he had cured himself



1 completely of blindness, of lameness, and he also stated that  
2 he had done this all when he was blind. He goes on later  
3 about -- he was reclassified for combat duty and this seemed  
4 absolutely 180 degrees different from the condition that he  
5 is in when he is writing this.

6 MR. FLYNN: This may be a good place to break.

7 THE COURT: All right, we will take a recess until  
8 9 o'clock tomorrow morning.

9 MR. LITT: Your Honor, may we raise one matter before  
10 we do that?

11 THE COURT: Let me look at this letter first.

12 MR. LITT: Okay.



44-1

1 THE COURT: Okay.

2 MR. LITT: Your Honor, we are approaching here what  
3 are on the defendant's list of sealed exhibits marked 4-F  
4 through 4- -- actually -- I'm sorry -- 4-D, 4-E, 4-F and 4-G.  
5 And, apparently, the intention of the defendant is to testify  
6 about conclusions he reached from portions of these materials.

7 Before that occurs, we would ask that the  
8 court make a review of the total documents for two reasons:  
9 First, this particular document is, at least, of everything  
10 that I have reviewed that is under seal, far and away the  
11 most private and personal document probably that I have ever  
12 read by anybody. And the document and what Mr. Hubbard is  
13 doing in the document cannot be understood except by review  
14 of the total documents. To put it in terms that would be  
15 traditional terms, what they really constitute are a form  
16 of self-therapy, notes which constitute very early self-  
17 research by Mr. Hubbard in which he is addressing things to  
18 himself.

19 We would ask that before there be any testimony  
20 concerning this, that the court does have the opportunity  
21 to review the file of those materials so that the court can  
22 determine, one, the context and the particular personal and  
23 private nature of the materials that are being dealt with.

24 And we are going to ask that under 352 -- and  
25 we think the court will agree after the court reads it -- that  
26 any purported conclusions that Mr. Armstrong wishes to testify  
27 to from these documents are outweighed both by the privacy  
28 interests involved, but also by the fact that they do not



44-2

1 constitute a reasonable reading of the documents taken in  
2 context.

3 We have indicated our general concern about all  
4 of these materials; the idea already that we are dealing with  
5 an individual's personal Naval records over years and medical  
6 records and everything else. What this particular document,  
7 we really do ask that the court make a review of before there  
8 be testimony concerning it.

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THE COURT: Which document is it?

MR. HARRIS: It is D-4, E-4, F and G-4, Your Honor.

MR. LITT: We don't know whether the defendant has pulled out sections or has paperclipped the total documents, Your Honor.

MR. HARRIS: There is another part of the entirety of the document which is not in here under which it only makes sense.

MR. FLYNN: Your Honor, if I could just briefly, I will not state what is in the documents. I will tell you this: What is in the documents, at least for everything that is up to 1946, pretty much conclusively proves in L. Ron Hubbard's handwriting that the claims he made before 1946 are admittedly false.

There is one very significant couple of sentences relating to his claim for a veteran's pension which he holds to the present time, and the basis for the veteran's pension and his alleged war wounds which he admits are false.

There is another portion which -- we agree with Mr. Litt that this is probably one of the most significant exhibits in the entire case because a Scientologist, if a Scientologist read these documents, someone who has paid money for 20 years, if they read these documents, they would realize where Scientology came from and they would realize the mind that they were dealing with that is the origin of Dianetics, and most Scientologists, I submit, if they read these documents would leave the organization five minutes after they read them.



6-1  
1 Now, there are specific notations that relate  
2 to Mr. Hubbard's desire to control all mankind in which he  
3 goes on at some length in these documents and his brainwashing  
4 techniques which we think are of great significance to the  
5 public.

6 There are other areas that relate to his sexual  
7 problems and some of the diseases that he suffers from  
8 which we think perhaps could be held under seal for purposes  
9 of Mr. Armstrong's counterclaim because we think in the  
10 context of the overall evidence about the claims made by  
11 L. Ron Hubbard, they are of great significance.

12 However, with regard to some of the notations,  
13 we have no objection to the court reviewing them. We think  
14 the court should in advance; however, there are some notations  
15 in these records which we believe, based on 30 years of  
16 claims by Mr. Hubbard and on my part, five years of studying  
17 the subject and what Scientologists believed about this man  
18 are of great significance to these people, particularly with  
19 regard to where Mr. Hubbard was coming from psychologically  
20 when he developed Dianetics.

21 So for that reason we feel the court should  
22 review them. If the court deems that some parts are highly  
23 personal, we would like to be able to excerpt portions that  
24 are more appropriately part of a public record and for those  
25 portions that the court might deem are highly personal, we  
26 have no objection to them being placed under seal in this  
27 litigation for purposes of whatever the court eventually  
28 decides.



46-2

1 THE COURT: Mr. Harris, you indicated there was  
2 something else that went with those?

3 MR. HARRIS: There is, Your Honor. The problem is  
4 there are like four portions of it in handwriting. There is  
5 one --

6 THE COURT: The clerk has already handed me what  
7 has been marked 4-D, 4-E and 4-F and 4-G.

8 MR. HARRIS: That is correct. And I think there is  
9 one more portion of it which is not marked on the defendant's  
10 exhibit list.

11 THE COURT: Maybe Mr. Armstrong knows what you are  
12 talking about.

13 MR. FLYNN: I think I know, Your Honor. I think what  
14 we tried to do, we tried to exclude that portion.

15 You see, we think everything we have got in  
16 there should be in the public record. But we tried to  
17 exclude that portion that dealt with some of Mr. Hubbard's  
18 more unusual sexual practices. And we -- we tried to exclude  
19 that from the documents that we are offering.

20 If the plaintiff and the intervenor wish to  
21 make that part of it, we have no objection.

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47-1

1 THE COURT: No, I don't think -- he wanted me to read  
2 it to understand it.

3 MR. HARRIS: Yes, Your Honor, and also more importantly,  
4 there are a set of problems to be handled which are not  
5 included which these appear to be in response to.

6 THE COURT: All you have to do is identify them for  
7 me, Counsel.

8 MR. HARRIS: That is what I am trying to do.

9 MR. LITT: The problem is they may not have been  
10 brought up because it appears that the defendant did not  
11 identify them and therefore did not have them brought up,  
12 so perhaps the first question that can be answered by  
13 Mr. Flynn is: Is the full set of those materials up here?  
14 That is question one.

15 Question two is: If they are not, is what  
16 the court has excerpts that move from place to place, that  
17 were pulled out or what?

18 Without talking about the contents.

19 MR. FLYNN: There are many documents in Mr. Hubbard's  
20 handwriting. What we made an effort to do, and what's been  
21 brought up and what hasn't I am not sure because our basic view  
22 in culling out these documents for the purposes of this case  
23 is as follows: We think that all of the documents under seal  
24 and all of the documents Mr. Armstrong collected tell the  
25 whole story. However, for the purposes of practicality  
26 in this proceeding of introducing limited portions to give  
27 the court an indication of what Mr. Hubbard was like throughout  
28 his life, we selected out of the documents under seal isolated



47-2

1 portions because otherwise we'd have every document up here  
2 because we think they are all relevant. At the end of the  
3 case we are going to ask that all the documents certain  
4 relief be given to, but with regard to Mr. Litt's specific  
5 question, I really don't know. What we did is we took  
6 specific portions --

7 MR. LITT: Let me clarify it, as Mr. Armstrong knows,  
8 does the court have all of the affirmations? Mr. Armstrong,  
9 do you know what the affirmations are?

10 MR. ARMSTRONG: Yes.

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1           MR. LITT: Has the full set of the affirmations,  
2 including the book been brought up here and the introductory  
3 part to it which is about 30 pages?

4           MR. ARMSTRONG: Let me give you some numbers; okay?  
5 I'll give you some -- it is 4-D, 4-E, 4-F, 4-G, 4-H, 4-I.  
6 That is it.

7                   4-I fits in that category. It is not part of  
8 that particular set of documents, but --

9           MR. LITT: Do those things together constitute the  
10 totality of the affirmations?

11           MR. ARMSTRONG: As far as I know, it does.

12           MR. LITT: Your Honor, could we take a look for a  
13 moment just to determine for ourselves?

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1 MR. FLYNN: Your Honor, if it doesn't we have no  
2 objection --

3 MR. LITT: We just want to know what the court has.

4 MR. FLYNN: -- to the plaintiff bringing up whatever  
5 they want to bring up.

6 Our feeling, Your Honor, is all the records --

7 THE COURT: I know what your feeling is.

8 MR. FLYNN: -- are relevant.

9 THE COURT: I have heard it.

10 Well, we are in recess until 9 o'clock.

11 MR. HARRIS: Very well.

12 MR. LITT: It Mr. Armstrong could come here for a  
13 moment and tell me what document goes with what, I think we  
14 can put them in proper order for the court.

15 MR. FLYNN: We want them in that order, Mr. Litt,  
16 for a very specific reason.

17 MR. LIT: But the order that they appear in is not  
18 the order that they were in in the original binders, so I  
19 would like for the court's review for them to be in the order  
20 that they were in in the original binder.

21 Thank you, Mr. Flynn.

22 MR. FLYNN: The original binder was created by  
23 Mr. Armstrong.

24 MR. LITT: I am quite aware of this.

25 THE COURT: Okay, okay, just relax.  
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1           MR. LITT: Your Honor, we'll put them in the order  
2 that we feel that they can be best understood and then give  
3 them to the court.

4                   I don't think the court has to stay here for  
5 this unless you want to.

6           THE COURT: No, I don't really want to stay.

7                   (At 4:15 p.m. an adjournment was taken  
8 until Tuesday, May 15, 1984 at 9:00 a.m.)

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